

Exhibit 1

Picard v. Igoin

Laurence Apfelbaum 3-26-14

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UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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SECURITIES INVESTOR)
PROTECTION CORPORATION,) Adv. Pro. No.
) 08-01789 (SMB)
Plaintiff-Applicant,)
) SIPA LIQUIDATION
-vs-)
) (Substantively
BERNARD L. MADOFF INVESTMENT) Consolidated)
SECURITIES LLC,)
)
Defendant.)
)
In re:)
)
BERNARD L. MADOFF,)
)
Debtor.)
)
IRVING H. PICARD, Trustee)
for the Liquidation of) Adv. Pro. No.
Bernard L. Madoff Investment) 10-04336 (SMB)
Securities LLC,)
)
Plaintiff,)
)
v.)
)
ESTATE (SUCCESSION) OF DORIS)
IGOIN, et al.,)
)
Defendants.)
-----x

VIDEOTAPED DEPOSITION UNDER
ARTICLE 17 OF THE HAGUE CONVENTION
OF
LAURENCE APFELBAUM

on Wednesday, March 26, 2014
commencing at 10:12 a.m.

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VIDEOTAPED DEPOSITION OF

LAURENCE APFELBAUM

Taken at the offices of

Artus Wise Partners

154, Boulevard Haussmann

Building B, 4th Floor

75008 Paris, France

Reported by: Thelma Harries, MBIVR, ACR

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A P P E A R A N C E S

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A P P E A R A N C E S, Continued

In attendance:

Luis Guisbert, Videographer

Beatrice Huret-Moran, Interpreter

*** * ***

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E X H I B I T I N D E X

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4	Letter from United States Embassy dated September 20th, 2013	9
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6	Letter of Authorization for Deposition dated October 2, 2013	10
9	Customer Claim for BLMIS Account Number 1FN076	36
10	Customer Claim for Emilie Apfelbaum	36
11	Form for Account of Doris and 5/31/06 BLMIS Statement	36
13	Bernard L. Madoff Investment Securities LLC In Liquidation December 11, 2008. Cover letter for customer claim form	47
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17	Letter to Mr. Frank Di Pascali from BIF dated 6th March, 1998	88
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1 repeat or rephrase the question or ask the translator
2 to repeat or rephrase, and we'll try to work it out.

3 A. Yes.

4 Q. And, as I said to you before when we were
10:41 5 off the record, if you want a break, please just say
6 so and we -- we can take a break. The only request
7 that I have is that, if there is a question pending,
8 that you answer the question and then we'll take
9 a break once the question is answered.

10:41 10 A. All right.

11 Q. Any objection by your attorney to
12 a question will still require you to answer the
13 question. However, you may, as always, choose to
14 follow the advice of your counsel if he specifically
10:42 15 advises you not to answer a particular question.

16 A. All right. Sounds fine.

17 Q. And you understand that, even if an
18 objection is answered, that you still should answer
19 the question -- I mean, even if an objection is
10:42 20 registered, you still should answer the question
21 unless you are instructed not to answer.

22 A. All right.

23 Q. Are you taking any medication that will
24 affect your recollection, your ability to answer my
10:43 25 questions or your ability to tell the truth today?

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1 A. No, I'm not under any medication.

2 Q. Have you ever been deposed before?

3 A. No. Never.

4 Q. Have you ever appeared or testified in
10:43 5 court before?

6 A. No. Never.

7 Q. Have you had conversations or meetings
8 with your counsel in preparation for this deposition?

9 A. Yes.

10:43 10 Q. How many times, without telling me the
11 substance of any of the conversations?

12 A. Twice. Yesterday and the day before;
13 and the day before yesterday.

14 Q. Who was present at those meetings?

10:44 15 A. John Cooperman, Bruno Quint and Ambre
16 Seltzer.

17 MR. COOPERMAN: And Ambre.

18 THE INTERPRETER: Ambre.

19 (Discussion off the record)

10:44 20 BY MS. WANG:

21 Q. Did you -- did you review any documents
22 in preparation for this deposition?

23 A. John Cooperman showed me some documents.

24 Q. Were these documents documents that had
10:45 25 already been produced in the context of this

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1 litigation?

2 MR. COOPERMAN: I'll represent every
3 single document I showed her was something
4 that was produced in this litigation.

10:45 5 BY MS. WANG:

6 Q. So there were no new documents that were
7 presented or brought to the deposition?

8 MR. COOPERMAN: She wouldn't know
9 that, but I'll tell you that's the case; no
10:45 10 new documents.

11 MS. WANG: Okay.

12 BY MS. WANG:

13 Q. And then just to confirm, but
14 Mrs. Apfelbaum, you did not bring any new doc -- any
10:45 15 additional documents to the deposition, did you?

16 A. I don't have any documents.

17 Q. For the purposes of this deposition, when
18 I refer to Madoff or to Bernie, I am referring to
19 Bernard Madoff individually. When I refer to BLMIS,
10:46 20 I am referring to Bernard L. Madoff Investment
21 Securities LLC. And when I refer to SIPC, S-I-P-C,
22 I'm referring to the Securities Investor Protection
23 Corporation.

24 MR. COOPERMAN: I just don't want to
10:47 25 create controversy, but SIPC, I'm not sure if

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1 she'll understand what that is. So there are
2 things that are second nature to you that you
3 may need to explain a little bit more.

4 MS. WANG: I understand. I just --

5 MR. COOPERMAN: Yeah.

6 MS. WANG: -- I'm saying that the --
7 let's just move on.

8 BY MS. WANG:

9 Q. Mrs. Apfelbaum, can you tell me your date
10:47 10 of birth, please?

11 A. February 4th, 1949.

12 Q. And your current address?

13 A. 52 rue de Vaugirard.

14 Q. In Paris?

10:47 15 A. In Paris. Sixth district.

16 Q. And you are currently married?

17 A. Yes, I am.

18 Q. The name of your husband and when -- when
19 did you get married?

10:47 20 A. My husband's name is Marian.

21 MR. COOPERMAN: M-a-r-i-a-n.

22 THE WITNESS: We got married in
23 June 1981.

24 MR. COOPERMAN: 1981.

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1 BY MS. WANG:

2 Q. How did you meet?

3 A. My husband was a dietician. He worked at
4 the Bichat hospital. And I was a psychologist
10:49 5 working at the Bichat hospital and I came to work in
6 his service and gradually we became acquainted.
7 Bichat, B-i-c-h-a-t.

8 MS. WANG: My husband actually spent
9 a little bit of time there about two years
10:49 10 ago.

11 MR. COOPERMAN: The same hospital?

12 MS. WANG: The Same hospital.

13 THE COMMISSIONER: Oh dear.

14 MS. WANG: No, no. He worked there.
10:49 15 He -- not spent a little time. I mean. He
16 was working with other surgeons there.

17 THE COMMISSIONER: When I see
18 Americans in Paris and they say someone has
19 been in a hospital, I don't assume they were
20 working there.

21 MS. WANG: Yes, he was working there.
22 He was visiting -- he was, like, a visiting
23 Professor there.

24 (Discussion off the record)
25

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1 BY MS. WANG:

2 Q. Do you have any children?

3 A. I have one daughter.

4 Q. And her name is?

10:50 5 A. Her name is Emilie Apfelbaum.

6 MR. COOPERMAN: E-m-i-l-i-e.

7 BY MS. WANG:

8 Q. And does she live with you?

9 A. Yes, she lives with us.

10:50 10 Q. How old is she now?

11 A. She is now 30.

12 Q. Okay. Is she -- is she married? And
13 what does she do?

14 A. No, she's not married.

10:50 15 Q. And what does she do for a living?

16 A. She's an employee in an --

17 MR. QUINT: Art gallery.

18 THE WITNESS: -- an art gallery in

19 Paris.

10:51 20 BY MS. WANG:

21 Q. Before marrying Marian Apfelbaum, have
22 you previously been married?

23 A. No.

24 Q. Do you or Marian Apfelbaum have any other
10:51 25 children?

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1 A. I don't have any other children other
2 than Emilie. My husband, Marian Apfelbaum, has three
3 other -- three other children.

4 Q. What are their names?

10:52 5 A. Olivier Apfelbaum -- Olivier;
6 O-l-i-v-i-e-r. Laurenc Rosengart -- Laurenc
7 Rosengart, L-a-u-r-e-n-c, Rosengart,
8 R-o-s-e-n-g-a-r-t.

9 (Discussion off the record)

10:52 10 THE WITNESS: And Deborah,
11 D-e-b-o-r-a-h, Apfelbaum.

12 BY MS. WANG:

13 Q. How old are they?

14 A. Laurenc Rosengart -- Apfelbaum is 55. So
10:53 15 Olivier is 57, and Deborah was born in 1976, so she
16 is 37 or 38. I don't know all the dates by heart, so
17 I'm just figuring it out.

18 Q. Do any of them live with you?

19 A. No, none of them.

10:54 20 Q. Now, your parents were named Doris Igoin
21 and Albert Igoin; is that right?

22 A. Yes.

23 Q. And when were they born and die?

24 A. My mother was born 14th of July, 1913.
10:55 25 She died in 2005. My father was born in

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1 February 1915. He died in 1995.

2 Q. Do you know how your parents met?

3 A. Yes, I do.

4 MR. COOPERMAN: Do you want her to
10:55 5 tell you?

6 BY MS. WANG:

7 Q. Yes. How did they meet?

8 A. It's a long story. This was before the
9 war. My mother was studying, she teach French and
10:56 10 she came to France. Not at the hospital. On board,
11 she met somebody whose name was Raymond,
12 R-a-y-m-o-n-d, Aubrac, A-u-b-r-a-c, and this person
13 introduced her to some friends of his.

14 Then she went back to the United States
10:57 15 during the war. And later, after the war, my father
16 had to go to the United States on a mission. This
17 friend from France suggested that he paid a visit to
18 Doris Wolson, W-o-l-s-o-n.

19 MR. COOPERMAN: Doris, D-o-r-i-s.

10:57 20 THE WITNESS: And that's how they met
21 and they fell in love. So my mother then came
22 to France and she married my father.

23 BY MS. WANG:

24 Q. So just to confirm, your mother was a
10:58 25 US citizen; is that right?

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1 A. Yes.

2 Q. Did she remain a US citizen after her
3 marriage?

4 A. Yes, she did.

10:58 5 Q. And for the rest of her life?

6 A. Yes.

7 Q. Did your father or mother have any
8 children other than you?

9 A. Not as far as I know.

10:59 10 Q. Can I take you through -- can you take me
11 through your education beginning with high school or,
12 you know, the equivalent of high school in France?

13 A. I -- I went to general high and -- and
14 high school almost all the way through the end of
10:59 15 high school into -- until 1965, to a -- the high
16 school in Sevres, S-e-v-r-e-s, which at the time was
17 in the French department of Seine, S-e-i-n-e, et
18 Oise, O-i-s-e -- (simultaneous talking)-- which has
19 now become 92, the department 92. The name of the
11:00 20 department has changed since.

21 The last year in high school, my parents
22 moved to Paris. I went to the Victor Duruy high
23 school, V-i-c-t-o-r, D-u-r-u-y, and I took my
24 baccalaureate, end of high school diploma,
11:01 25 specializing in philosophy.

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1 I then went on to the university, which
2 was the Sorbonne, S-o-r-b-o-n-e (sic). I studied
3 psychology starting in 1967. Following 1968, the
4 university system was reformed and where I studied
11:01 5 was now called Paris 7th, 7th, and I continued to
6 study psychology and I went on to get a doctorate.

7 In my early years at university,
8 I doubled major in Russian. I studied Russian at the
9 Institute of Oriental Languages in Paris because
11:02 10 I was interested in psycholinguistics --
11 psycholinguistics.

12 MR. COOPERMAN: P-s-y-c-h-o,
13 linguistics, l-i-n-g-u-i-s-t-i-c-s.

14 BY MS. WANG:

11:02 15 Q. So which year did you graduate with your
16 doctorate?

17 A. I got my Master's degree in 1970. In
18 1971, I got the DESS and I was able to start working
19 then, and I finished my dissertation in 1976 or '77.
11:04 20 In fact, I started working earlier because, with the
21 Master's degree, I was able to start working.

22 Q. So when you started working with your
23 Master's degree, what did you do?

24 A. I started as a psychologist at the Ecole
11:04 25 Active Bilingue, a bilingual school. E-c-o-l-e,

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1 A-c-t-i-v-e, B-i-l-i-n-g-u-e. I had several jobs
2 because these were just contract jobs, so I had
3 several jobs at the same time, and so I also worked
4 for the Fondation des etudiants de France.

11:05 5 MR. QUINT: Foundation of French
6 students.

7 THE INTERPRETER: F-o-n-d-a-t-i-o-n,
8 d-e-s, E-t-u-d-i-n-t-s (sic), d-e,
9 F-r-a-n-c-e.

11:05 10 THE WITNESS: And I was in a service
11 that specialised for people under dialysis.
12 I also worked for a few years in a centre with
13 children in the medical psycho centre for
14 children.

11:06 15 BY MS. WANG:

16 Q. Okay. And these were all in your
17 capacity as a psychologist; is that right?

18 A. And I also worked in the Bichat Hospital
19 in the eating disorders service. I worked with
11:06 20 people suffering from bulimia.

21 Q. And when did you work at Bichat Hospital?
22 I'm sorry to cut you off.

23 A. I'm not sure of the exact date.
24 Approximately, in the '60s or '70s. I worked my
11:07 25 dissertation on bulimia, so when I was writing my

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1 dissertation I had already worked for several years
2 with people suffering from bulimia.

3 At the same time, I became a
4 psychoanalyst. In 1976, I was accepted by the APF,
11:08 5 Asociacion, A-s-s-o-c-i-a-c-i-o-n, des
6 Psychoanalystes, d-e-s, P-s-y-c-h-o-a-n-a-l-y-s-t-e-s,
7 d-e, F-r-a-n-c-e, and I started as a psychoanalyst,
8 which I still -- I still am today. I still work as
9 a psychoanalyst.

11:08 10 Q. Are you still a -- are you a
11 psychoanalyst at Hospital Bichat or are you a
12 psychoanalyst somewhere else?

13 A. I only work in my own practice now.
14 I left the Bichat Hospital.

11:09 15 Q. When did you leave?

16 A. I left the Bichat Hospital in '96 or '97
17 when my husband retired.

18 Q. So that brings me to your husband's
19 occupation, which was that he -- you said earlier he
11:09 20 was a professor of nutrition and a doctor of
21 medicine; is that right?

22 A. Yes. He currently is -- works with
23 eating disorders -- disorders specialty in France,
24 along with Professor Tremoillere,
11:10 25 T-r-e-m-o-i-l-l-e-r-e. My husband was the main

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1 pioneer in -- in this field at universities for
2 teaching this. He was medical Professor at Bichat
3 Hospital, which is at one hospital and the
4 university; the university hospital. And he was te
11:11 5 head of the Inserm, I-n-s-e-r-m, Institute, at the --
6 at the Bichat Hospital, at the lab -- the lab, the
7 Inserm lab at the -- at the Bichat Hospital.

8 Q. What was your specialty, if you practiced
9 one, as a psychoanalyst?

11:11 10 A. There's no specialty. At Bichat I was --
11 I was a psychoanalyst -- I was a psychotherapist, and
12 my specialty was bulimia. Psychotherapist.

13 Q. And you said your husband retired around
14 1996 or 1997; is that right?

11:12 15 A. Yes. My husband was born in 1931 so he
16 was -- he reached retirement age, which was 65, and
17 I think he went on for one more year after that.

18 (Discussion off the record)

19 BY MS. WANG:

11:13 20 Q. And do you have any professional
21 licenses?

22 A. In France, with the university diplomas
23 I have, I have the right. In addition, because I am
24 a member of the Asociacion Skeleton de France, which
11:14 25 is affiliated with the International Psychoanalyst

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1 Association, this also gives me the right to work as
2 a psychoanalyst.

3 Q. And going back, what were your parents'
4 occupations?

11:14 5 A. My mother was a homemaker in France. My
6 father was, what I called him since school, was
7 a businessman. Was a businessman. That's what
8 I called him since school. When I had to write down
9 what my father's occupation was at school, that's
11:15 10 what I -- I had to fill in forms and I would write he
11 was a businessman.

12 Q. Did he specialise in any area that you
13 know of?

14 A. I have childhood memories. I remember
11:16 15 that he dealt with boats because there were postcards
16 of boats in his office when I go -- went to him. And
17 also he had pictures from Ivory Coast and -- so in
18 coffee. I know he was in coffee. But these are old
19 childhood memories and I'm not sure what he went on
11:16 20 to do.

21 When I grew up he never told me exactly
22 what he was doing. He never talked about it. We
23 talked about what he was interested in. He spent
24 a lot of time reading and studying Spinoza, for ever.
11:17 25 Always. S-p-i-n-o-z-a. So that's what we'd talk

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1 about. We'd talk about that.

2 Q. Any other interests other than Spinoza?

3 A. Yes, he had other interests besides
4 Spinoza. He liked skiing. He practiced skiing. He
11:18 5 read books about ski champions, and he would have me
6 practice at home with him before we'd go skiing.

7 As soon as he started doing something, he
8 became interested in it. I was never a golfer, but
9 he was for a while. And he would tell me about --
11:19 10 not about golf itself, but about the books he would
11 read about concentration, such as archery. This is
12 the type of things he would discuss with me.

13 Q. So as you grew up did he talk about his
14 business dealings at all?

11:19 15 A. No. He was interested in -- (interpreter
16 and witness speaking over each other) -- and then
17 later on he became interested in my studying in
18 psychology and we'd talk about that.

19 Q. So he didn't push you, for example, to
11:20 20 study psychology?

21 A. No. I think he might have been
22 disappointed that I was studying psychology.

23 Q. How so? Tell us about that.

24 A. I was a good student. I got my bacc. and
11:20 25 high school diploma with cum laude.

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1 MS. NERINCK-SELTZER: Summa cum laude.

2 MR. COOPERMAN: Summa cum laude;

3 s-u-m-m-a, c-u-m, l-a-u-d-e.

4 THE WITNESS: THE normal curriculum

11:21 5 for somebody like me would have been to move

6 on to a proprietary school, and I think that's

7 partly why my parents moved to Paris the day

8 I was -- the year I was finishing high school.

9 BY MS. WANG:

11:21 10 Q. When you say a preparatory school, what
11 does that mean?

12 A. In France you have Khane, k-h-a-n-e,
13 Epokhane, and they're like special schools that only

14 the best students in literary sections can attend,

11:22 15 and this prepare you to the main schools; this

16 prepares you to enter the most prestigious schools.

17 MR. QUINT: You have to understand

18 that in France some students don't go to the

19 university, as such. We have so-called

11:22 20 schools, high schools, which are at the level

21 of university, but very prestigious either in

22 literature or in science.

23 THE INTERPRETER: And you need -- you

24 need to take entrance exam and you need to be

11:22 25 prepared for that. So you have to go to

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1 special school that, kind of, are between high
2 school and those schools, and they prepare you
3 for --

4 BY MS. WANG:

11:22 5 Q. I thought the Sorbonne -- and you said
6 that you had gone to the Sorbonne, and I thought that
7 was the best.

8 THE INTERPRETER: It's not
9 prestigious. In France, it's like the lowest.
11:23 10 It's like the person who finishes high school
11 with the lowest grades, they'll be able to go
12 to Sorbonne.

13 MR. COOPERMAN: Why don't we --
14 specifies the translator.

11:23 15 COMMISSION: I suggest we take this to
16 lunch. It's a long conversation about French
17 education.

18 THE INTERPRETER: Okay.

19 BY MS. WANG:

11:23 20 Q. Okay. But did you -- I guess, getting
21 back to the deposition. Did your father suggest or
22 want you to, for example, go into business or go into
23 the financial industry?

24 A. No, certainly not. And, anyway, the dies
11:23 25 were cast already in junior high because I chose to

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1 study literature.

2 THE INTERPRETER: In France, if you
3 study maths, you can go very far. If you
4 study literature, you go nowhere and that
11:24 5 starts very young.

6 MR. COOPERMAN: Is that what the
7 witness said?

8 THE INTERPRETER: No. This is just --

9 MR. COOPERMAN: Please refrain from --

10 THE INTERPRETER: Okay. Sorry --

11 MR. COOPERMAN: Just, please,
12 translate what the witness says.

13 THE INTERPRETER: Okay.

14 THE WITNESS: I think he was surprised
11:24 15 by my choice.

16 BY MS. WANG:

17 Q. But he didn't, for example -- I -- I'm
18 just saying because, for example, Chinese parents
19 will really push for their children to go into
11:24 20 a certain career or a certain profession or to study
21 certain things. And did your parents ever push you
22 in that way?

23 A. No. I made my own choices.

24 MR. COOPERMAN: I think that's a --
11:25 25 a course of rebellion by people who get pushed

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1 anyway.

2 MS. WANG: I rebelled by going into
3 biology.

4 Okay. Let's go off the record so
5 I can mark a few exhibits off the record
6 without any time pressure.

7 VIDEOGRAPHER: Going off the record.
8 The time is 11:26.

9 (A short recess at 11:26 a.m.)

10 (Exhibit 9 marked for identification)

11 (Exhibit 10 marked for identification)

12 (Exhibit 11 marked for identification)

13 (Resumed at 11:44 a.m.)

14 VIDEOGRAPHER: We're back on the
11:43 15 record. The time is 11:44.

16 BY MS. WANG:

17 Q. Mrs. Apfelbaum, I'm now going to hand you
18 what the court reporter has marked as Exhibits 9, 10
19 and 11. Could you take your time to look at
11:43 20 Exhibits 9, 10 and 11 and, when you have done so --
21 and then, when you have, let me know what -- what
22 they are.

23 (Discussion off the record)

24 BY MS. WANG:

11:45 25 Q. Okay. Starting with Exhibit 9, can you

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1 Account Number 1FN076 means?

2 A. I don't know it by heart, but I suppose
3 it was the number of my account at BLMIS.

4 MR. COOPERMAN: I just want the
11:47 5 witness to understands.

6 Ms. Wang is not asking you to
7 speculate. She's asking if you know that
8 account. If you do, say no.

9 MS. WANG: I was -- actually, that
11:47 10 wasn't my question.

11 BY MS. WANG:

12 Q. My question is what's your understanding
13 of what that is?

14 MR. COOPERMAN: Right. But she's not
11:47 15 here to speculate. So if what you're
16 asking -- I'm sure you're not asking her to
17 speculate, because I'll direct her not answer
18 then.

19 (To the witness) So if you know, you
11:48 20 should say.

21 BY MS. WANG:

22 Q. It's your -- it's your account at BLMIS?

23 A. Yes.

24 Q. Can you take me through the pages of
11:48 25 Exhibit 9 and identify, if you can, the handwriting

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1 on those pages?

2 A. It's my handwriting.

3 Q. On every page?

4 A. Yes.

11:48 5 Q. And that is your signature on the fourth
6 page; is that right?

7 A. Yes.

8 Q. And did you prepare this form for
9 submission to the trustee, the SIPC trustee?

11:49 10 MR. COOPERMAN: Objection.

11 (To the witness) You can answer.

12 THE WITNESS: I filled in this form,
13 which I received at the end of December, in
14 late December, and I thought I was sending
11:49 15 this to the CIPA, yes, CIPA.

16 BY MS. WANG:

17 Q. Did anyone help you prepare this form?

18 A. No.

19 Q. Did you consult anyone in preparing this
11:49 20 form?

21 A. No.

22 Q. Did you rely on any other documents in
23 preparing this form?

24 A. No. I don't see what kind of document
11:50 25 I could have relied on.

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1 Q. Do you see on -- there are -- there are
2 two pages attached at the end of Exhibit 9 after your
3 signature page. Did you attach those pages to the
4 SIPC form?

11:50 5 A. I think so.

6 Q. What are those? What are those pages?

7 A. These are my latest statements, account
8 statements, for BM -- BMIS.

9 Q. So do you see on the statement in the
11:51 10 upper right corner it says, "Period ending 11/30/08"?
11 Do you see that?

12 A. Yes.

13 Q. And then on the next page it says,
14 "Period ending 10/31/08"?

11:51 15 A. Yes.

16 Q. Do you understand these to be account
17 statements for BLMIS Account Number 1FN076 for
18 November 2008 and October 2008?

19 A. Yes.

11:52 20 Q. I'm going to take you through Exhibit 10
21 and 11 now and ask you essentially the same
22 questions. So I'm asking you now to take a look at
23 Exhibit 10 and, after you've taken your time to look
24 through Exhibit 10 and when you're ready, please tell
11:53 25 me what it is.

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1 Exhibit 11. Is it your understanding that this
2 account statement, which appears to be dated
3 May 31st, 2006, reflects the last account statement
4 that you received for the Doris Igoin succession
11:58 5 account?

6 A. Yes, it is the last statement for this
7 account.

8 Q. And, again, do you recognise the
9 handwriting on this -- on Exhibit 11?

11:59 10 A. It's my handwriting.

11 Q. And going back to the account statements
12 for the Doris Igoin succession account, do you have
13 any other account statements that pre-date this
14 May 31st, 2006 account statement that was attached?

11:59 15 A. Yes, I had them. I don't have any of
16 those documents any longer because I gave them to my
17 counsel.

18 Q. When you say you gave them to your
19 counsel, you mean Mr. Cooperman or Mr. Quint or
12:00 20 somebody else?

21 A. To Mr. Quint.

22 (Discussion off the record)

23 BY MS. WANG:

24 Q. Okay. Going back to the first page of
12:00 25 Exhibit 11, there is a block of handwriting on the

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1 right side. Would you mind reading that?

2 A. Do you want me to read it aloud?

3 Q. Yes, please.

4 A. (In person) "This account no longer
12:01 5 exists since May 31st at the death of my mother in
6 February 2009. We transformed" --

7 Q. Is that 2009 or 2005?

8 A. (In person) Five; 5.

9 "We" -- yes, 5. "We transformed her
12:01 10 account care of Madoff into 'succession Doris Igoin'
11 until all taxes attached to this succession were
12 paid. When this was completed the account was closed
13 and the remaining 35,000 -- million dollars was
14 transferred to my own account care of Madoff as I was
12:02 15 the only heiress."

16 Q. And that's your signature at the end?

17 A. Yes.

18 Q. And that is your handwriting?

19 A. Yes.

12:02 20 Q. Can you explain -- and using French, of
21 course, and the interpreter if you need to -- what
22 you meant with -- by this paragraph?

23 A. When my mum died, her account was
24 transferred to mine directly, but, in the meantime,
12:03 25 we realised that my mum didn't know that she was

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1 supposed to pay taxes in the USA. So we contacted
2 Ambre Seltzer in the USA to see what they could do
3 about fixing this. Ambre --

4 MS. NERINCK-SELTZER: Seltzer.

12:04 5 THE WITNESS: -- Seltzer, to see how
6 to go about fixing this, to make it straight.
7 It turned out that it would be a long and
8 complicated process. There would be
9 negotiations involved, and we didn't know how
12:04 10 much tax there would be to pay. So I paid
11 back the money from the estate and created
12 a new Madoff account so this could be -- and
13 this -- this took until early 2008 when this
14 was settled, until this was settled. And
12:05 15 everything was settled in early 2008.

16 MR. COOPERMAN: In early 2008.

17 THE WITNESS: In early.

18 BY MS. WANG:

19 Q. So this account, 1FR122, the succession
12:05 20 account, was controlled by you for the purpose of
21 handling your mother's estate and taxes that might be
22 owed in the United States; is that right?

23 MR. COOPERMAN: Objection.

24 (To the witness) You can answer.

12:05 25 THE WITNESS: The only purpose of this

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1 account was to pay the tax that was due.

2 BY MS. WANG:

3 Q. And when you were filing and preparing

4 Exhibit 11, it -- you were not asserting in

12:06 5 Exhibit 11 that -- that this account still had a

6 balance as of December 2008; is that right?

7 A. No. I said that the account no longer
8 existed, and I have the form to show that the account
9 had been closed.

12:06 10 Q. I'm just confirming.

11 Going back. I think the question I had
12 asked earlier was in addition to the purpose of the
13 tax -- sorry. Let me start that question again.

14 So other than you, did anyone else
12:06 15 control this account, this Doris Igoin succession
16 account, while it was in existence?

17 A. No.

18 Q. And you prepared Exhibit 11 for
19 submission; is that right?

12:07 20 A. Yes.

21 Q. And, again, did anyone help you prepare
22 Exhibit 11?

23 A. No-one edited this whole thing.

24 Q. And did you rely on any other documents
12:07 25 in preparing Exhibit 11, other than the account

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1 statement that was -- is attached at the end of this
2 form?

3 A. No.

4 Q. We're done with those exhibits for now,
5 thank you.

6 Madam Apfelbaum, I'm going to hand you
7 what's been premarked as Exhibit 13.

8 (Exhibit 13 marked for
9 identification)

12:09 10 BY MS. WANG:

11 Q. Can you please take a look at Exhibit 13,
12 and take your time, and, when you're ready, let me
13 know if you've ever seen this document before?

14 A. (Witness reviewed the document) I am
12:10 15 ready.

16 Q. So I believe my question was let me know
17 if you'd seen this document before?

18 A. Yes. This was the cover letter for the
19 custom claims that I received.

12:10 20 Q. Now, do you see on the first page of
21 Exhibit 13 it says that there -- it encloses
22 additional documents. Do you see that?

23 MR. COOPERMAN: The second page, isn't
24 it?

12:11 25 MS. WANG: The second page, I'm sorry.

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1 conjunction with the claim form?

2 A. Yes, I received this.

3 Q. Okay. Going to Exhibit 14, can you tell
4 me what that document is?

12:20 5 A. This is also a leaflet which has -- this
6 is also a leaflet which received with the form; the
7 claim form.

8 MR. COOPERMAN: Leaflet.

9 BY MS. WANG:

12:21 10 Q. And did you review this -- this leaflet,
11 did you review Exhibit 14 when you were preparing or
12 before you prepared the claim form?

13 A. Yes.

14 Q. I'm going to now go to Exhibit 15, and
12:21 15 can you tell me what Exhibit 15 is?

16 A. This is a letter addressed to the victims
17 of Bernard Madoff advising to fill up the claim forms
18 and send them back quickly.

19 Q. So you said -- you just said that
12:22 20 Exhibit 15 is a letter. Is it -- can I call your --

21 A. A notice.

22 Q. It's a notice, okay.

23 MR. QUINT: Excuse me. Lettre
24 circulaire is not exactly a notice. It's
12:22 25 a letter sent to a number of people.

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(Discussion off the record)

BY MS. WANG:

Q. And you received Exhibit 15 around the time that you were preparing the claim forms, is that right?

A. I'm not sure.

MR. QUINT: Excuse me, once again.

That's not exactly "I'm not sure". That's "I don't know".

MR. COOPERMAN: Which is a substantive difference.

BY MS. WANG:

Q. Did you -- did you receive Exhibit 15 at any point in time in the past?

A. Certainly, but I don't remember. What I remember, is that we were told that we had to answer quickly when we received the leaflet. As far as execution is concerned, I'm saying I'm not quite sure because it didn't concern directly how to fill in the forms.

Q. But you received it some time after the collapse of BLMIS; is that right?

MR. COOPERMAN: Objection.

BY MS. WANG:

Q. You certainly didn't get it before?

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1 MR. COOPERMAN: Hold on. Hold on.

2 I want to ask, but you received it some time
3 after the collapse of BLMIS; is that right?

4 I said objection. I know the witness gave
12:26 5 some answer but --

6 MS. WANG: You gave -- you objected
7 before.

8 MR. COOPERMAN: No, she answered in
9 French and it wasn't translated. That's my
12:26 10 point. So --

11 MS. WANG: Let's get the translation.

12 MR. COOPERMAN: -- it's not against
13 you. I just want to --

14 MS. WANG: I know.

15 MR. COOPERMAN: -- make sure this is --

16 MS. WANG: I know.

17 MR. COOPERMAN: -- correct.

18 MS. WANG: Let's get it. Let's get
19 the record correct.

12:26 20 THE INTERPRETER: She hasn't answered
21 any questions.

22 MS. WANG: Let's read the -- let's
23 read the -- can I ask the reporter to please
24 read back the answer that begins, "Certainly,
12:26 25 but I don't remember", and then the question

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1 answers are different, obviously,
2 Mrs. Apfelbaum, your answers are the ones that
3 control. So if you believe that the answer is
4 not clear, please let us know and we'll stop
01:41 5 and we'll clarify it, and, you know, you can
6 work with the translator to make -- the
7 interpreter to make sure that the answer is
8 accurate, okay?

9 BY MS. WANG:

01:42 10 Q. Before the break we were talking about
11 three accounts at BLMIS for which you had filed
12 claims. Do you remember that?

13 A. Except that, for the third account,
14 I mentioned that it no longer existed; that it had
01:43 15 been transferred to another account.

16 Q. And those accounts were an account in
17 your name, Laurence Apfelbaum, an account in your
18 daughter's name, Emilie Apfelbaum, and then a third
19 account, which no longer existed as of 2008, that was
01:43 20 entitled succession Doris Igoi account, or something
21 like that; is that right?

22 A. Yes.

23 Q. Can we all agree that we'll just call
24 that the succession account so that then we can all
01:43 25 understand that we're referring to that account?

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1 A. (No response)

2 Q. And, again, just so I understand, the
3 purpose of that separate account was to segregate
4 funds that needed to be used to pay taxes in the
01:44 5 United States on behalf of your mother?

6 A. Yes.

7 Q. And was that for State taxes or was that
8 for income taxes before her death or something else?

9 MR. COOPERMAN: Are you asking about
01:45 10 United States taxes or French taxes? I just
11 want to make sure it's clear for the witness
12 what exactly you're asking.

13 BY MS. WANG:

14 Q. Yeah. I think the previous question was
01:45 15 the -- so let me clarify, then, because...

16 The question I asked was that the
17 succession account -- and, again, correct me if I'm
18 incorrect, please -- but the succession account
19 opened for the purpose of segregating funds that were
01:45 20 to be used to pay taxes in the -- to pay United
21 States taxes on behalf of your mother; is that right?

22 A. Yes.

23 Q. And so, then, my next question was
24 whether that was for US income tax, some form of the
01:46 25 State taxes in the United States or something else?

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1 A. Income tax. She didn't realise that she
2 was supposed to pay income tax in the US and she was
3 already paying tax in France with my father; income
4 tax in France with my father.

01:46 5 Q. Again, so I'm clear, and, again, correct
6 me if I misstate it. So when your father and mother
7 were both alive, your father had to pay income tax
8 and your mother paid income tax as well on the income
9 in the BLMIS account?

01:47 10 A. In France we pay tax on a household basis
11 and so, when my father died, she continued to pay the
12 taxes in his name. In her name, sorry.

13 Q. So she continued to pay income taxes in
14 France in her own name but after -- sorry, let me
01:48 15 start that again.

16 So she continued to pay income taxes in
17 her own name in France, but did not realise that she
18 also had a US income tax liability at the time?

19 A. She had absolutely no idea. She had been
01:48 20 in France since 1948 and she had never returned to
21 the United States, and she hadn't -- she rarely went
22 back and she hadn't gone back for a long time. She
23 had no ties there, so she didn't know.

24 Q. So it was only after your mother's death
01:49 25 that you realised that there were taxes that were

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1 owed to the United States?

2 A. Yes, because I had to turn -- to turn in
3 an American passport to the American Embassy, and
4 there they gave me a leaflet and I realised that she
01:49 5 had to pay taxes.

6 Q. And she had to pay taxes on what --
7 sorry.

8 She had to pay US income taxes on what
9 income, if you understand?

01:50 10 A. On BLMIS, capital gains.

11 Q. So now I want to take you back a little
12 bit in the history of the BLMIS account. I realise
13 that it will -- that your memory may be hazy, but
14 we'll try to do our best to try to take it in time
01:50 15 periods.

16 So, so I understand; these three
17 accounts, the loss account, the Emilie account and
18 the succession account that we were discussing before
19 the lunch break, those were not the only accounts
01:51 20 that your family held at BLMIS at any time; is that
21 right?

22 MR. COOPERMAN: Objection.

23 (To the witness) You can answer.

24 THE WITNESS: There was just one other
01:51 25 account which was my mother's account, which

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1 I closed when she died, which I opened again
2 as a State account when I realised I had to
3 pay taxes.

4 BY MS. WANG:

01:52 5 Q. I want to actually go back to the origin
6 of the earliest account that you were aware of.
7 Those -- that account or accounts were started by
8 your father; is that right?

9 MR. COOPERMAN: Objection.

01:52 10 THE WITNESS: I found out about my
11 mother's affairs, state of business, when she
12 died. And so my father was the same; it's
13 when he died that I found out. But for
14 anything else, I don't know. I don't know.

01:53 15 BY MS. WANG:

16 Q. Is it your understanding that the account
17 or accounts at BLMIS were started in the 1980s by
18 your father?

19 MR. COOPERMAN: Objection.

01:53 20 THE WITNESS: I don't know. I don't
21 have any direct knowledge; I don't have
22 direct knowledge.

23 MS. WANG: I'm going to ask the court
24 reporter to mark this next document as
01:54 25 Exhibit 16.

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(Exhibit 16 marked for identification)

BY MS. WANG:

Q. Can you take your time, Mrs. Apfelbaum,
and review Exhibit 16. When you're done reviewing
it, let me know.

A. (Witness reviewed the document)

Q. Are you ready? Okay. What is
Exhibit 16, Mrs. Apfelbaum?

A. This is a declaration which I wrote, but
I can't -- I can't find the date but I acknowledge
that I wrote it.

Q. And you signed it at the end?

A. Yes.

Q. I gave you Exhibit 16 in the hopes that
it might help you remember some of the early history
of the accounts. So, again, I mean, is it your
understanding that the BLMIS accounts were founded or
created by your late father in the 1980s?

A. I wrote "to the best of my knowledge".
I don't know directly. At the time when I wrote this
I wrote "to the best of my knowledge", and I asked
the tax adviser that was -- that filled up my
mother's tax returns. He didn't know directly
either, but he said he spoke, my mother told him so.
This is why I wrote to the best of my knowledge, but

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1 I do not actually know.

2 Q. So your mother didn't tell you when she
3 was alive either?

4 A. No, I didn't ask.

02:00 5 Q. And your father didn't tell you when he
6 was alive?

7 MR. COOPERMAN: Hold. Did you listen
8 to her full question? You said something
9 after. Didn't you say --

02:00 10 BY MS. WANG:

11 Q. And your father didn't tell you when he
12 was alive that your family held BLMIS accounts; is
13 that right?

14 A. No.

02:01 15 MR. COOPERMAN: That's what I was
16 trying to get you to say before answering the
17 question.

18 BY MS. WANG:

19 Q. So who was the tax adviser who provided
02:01 20 you that information?

21 A. Pierre, P-i-e-r-r-e, Pradier,
22 P-r-a-d-i-e-r.

23 MR. COOPERMAN: I don't think there's
24 an R at the end; P-r-a-d-i-e.

02:02 25 THE WITNESS: Who studied doing my --

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1 my mother's tax returns only after the year
2 2000.

3 BY MS. WANG:

4 Q. So before the year 2000, you did know
02:02 5 that your family had investments in BLMIS; is that
6 right?

7 A. I knew it since 1995.

8 Q. But before 1995, when your father was
9 alive, you did not know?

02:02 10 A. No, I didn't know anything about my
11 father's business.

12 Q. So do you see in Paragraph 6 of
13 Exhibit 18 --

14 THE INTERPRETER: Did I say --

02:03 15 MR. QUINT: 16.

16 MR. COOPERMAN: 6 or 16?

17 MS. WANG: Paragraph 6 of Exhibit 16.

18 BY MS. WANG:

19 Q. Of Exhibit 16?

02:03 20 MR. COOPERMAN: Yes, we're on the same
21 page.

22 Do you want -- I cut you off. Did you
23 want to ask her something else?

24 BY MS. WANG:

02:03 25 Q. Do you see where it says, "To the best of

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1 my knowledge, the origin of those accounts is that
2 during the 1980s my late father, Albert Igoin,
3 invested proceeds from the sale of his company with
4 BLMIS"? Do you see that sentence?

02:03 5 A. Yes, I do.

6 Q. Is your knowledge in that sentence
7 derived solely from conversations with Pradie, or is
8 there someone else who also helped you in
9 understanding the origin of your family's BLMIS
02:04 10 account?

11 A. No, it was Mr. Pradie at the time. He
12 became the person filing my own tax returns.

13 Q. And I'm not sure I understood that
14 answer.

02:05 15 MR. COOPERMAN: I think she also meant
16 Mr. Pradie, after her mother passed away, he,
17 too, did her file tax returns.

18 BY MS. WANG:

19 Q. Okay, can you -- is what Mr. Cooperman
02:05 20 said correct? Can you translate that, please?

21 A. Yes.

22 Q. Now, what I'm interested in is the phrase
23 "invested proceeds from the sale of the company with
24 BLMIS". Do you have any understanding of the name of
02:05 25 the company, the type of the company, the amount of

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1 the proceeds, or anything beyond that sentence?

2 A. I don't know. I didn't know my dad's
3 business, but he had an office for a company which
4 was called Cofrapar, C-o-f-r-a-p-a-r. I don't know
02:06 5 anything about this company except that sometimes
6 I would go and pick him up at his office. I don't
7 understand it was his only business, but he closed
8 this business and took what he called his retirement
9 in the 80s.

02:07 10 Q. And so your father retired in the 1980s;
11 is that right?

12 A. He closed his office and he stayed at
13 home. That's all I know. For me, he retired.

14 Q. And as far as investing proceeds from the
02:07 15 sale of his company, did the knowledge -- did that
16 knowledge, however faint it may be, come from
17 Mr. Pradie?

18 A. From Mr. Pradie, but he wasn't there at
19 the time. This is what my mother told Mr. Pradie.

02:08 20 Q. Let me try to ask the question a
21 different way.

22 How did you come to understand or come to
23 learn that your father may have invested proceeds
24 from the sale of his company with BLMIS?

02:09 25 MR. COOPERMAN: Objection. It seems

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1 the same question she answered, but...

2 (To the witness) You can answer.

3 BY MS. WANG:

4 Q. I'm waiting for an answer.

02:09 5 A. I don't really know.

6 Q. I think what I'm trying to get at is the
7 timing. I mean, did it -- did the understanding,
8 however faint or vague it may be, come about when you
9 were -- after your mother had passed and you were
02:10 10 going through papers and things like that in 2005?
11 Did you come to form this understanding in 1995 when
12 your father passed away or am I completely wrong?

13 MR. COOPERMAN: Can I suggest
14 a different question?

02:10 15 MS. WANG: Wait, let's just...

16 THE WITNESS: It is hard for me to
17 remember because afterwards it became so
18 obvious, but I think maybe it was when French
19 tax authorities -- I think that was in 1997,
02:12 20 when the French tax authorities contested my
21 mother's right to my dad's inheritance. They
22 tried to concentrate my dad's wealth at that
23 time to see where the money came from, and it
24 must be in there.

02:12 25 MR. COOPERMAN: She didn't get the...

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1 I believe what she said is, "I tried
2 to reconstruct my dad's will at that time to
3 see" --

4 MS. WANG: No.

02:12 5 MR. COOPERMAN: -- "where the money
6 came from".

7 THE WITNESS: They tried.

8 MR. COOPERMAN: They tried.

9 THE WITNESS: The French tax
02:12 10 authorities.

11 BY MS. WANG:

12 Q. Okay, so let's see if we can get that
13 sentence again.

14 So French tax authorities contested your
02:13 15 mother's right to your father's inheritance; is that
16 right?

17 A. The ownership. In my Will -- in my
18 father's Will they had a joint account and my father
19 considered that half of the wealth belonged to my
02:13 20 mother. So he considered that the inheritance on the
21 income had half of its wealth, and that that half
22 would go to me and my daughter.

23 A few years later, the French tax
24 authority contested that my mother actually owned
02:14 25 half of my father's wealth because they said that she

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1 had not put in any money and that the money, in fact,
2 came from my father's business. However, my parents
3 had jointly borrowed money and, on this, the French
4 tax authorities recognised that half belonged to my
02:15 5 mother, but all the rest was entered back into the
6 inheritance which meant that my daughter and I had to
7 pay inheritance tax on that.

8 Q. So at the time of your father's death
9 your father and mother had a joint account; is that
02:16 10 right?

11 MR. COOPERMAN: Objection.

12 THE WITNESS: I don't know the
13 details. Yes, I suppose so. That's what her
14 Will was based on.

02:16 15 BY MS. WANG:

16 Q. And you had no access to that joint
17 account; is that right?

18 A. No.

19 Q. Did you later come to an understanding --
02:16 20 did you later come to an understanding that this
21 joint account was the source of your family's wealth?

22 MR. COOPERMAN: I don't quite
23 understand the question.

24 MS WANG: Let me rephrase that
02:17 25 question.

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1 BY MS. WANG:

2 Q. So at the time of your father's death,
3 your family was quite wealthy; is that right?

4 A. Yes.

02:17 5 Q. And your understanding was that most of
6 that wealth was contained in a joint account that
7 your mother and father jointly owned; is that right?

8 A. I found out about my dad's wealth, my
9 father's wealth, and the extent of his wealth only
02:18 10 when he died.

11 MR. QUINT: Excuse me. I have a
12 question to give you.

13 When you say "joint account", do you
14 refer to BLMIS account or a bank account?

02:19 15 MS. WANG: That's actually what I'm
16 trying to get to, so maybe you can help me,
17 because Mrs. Apfelbaum used the term "joint
18 account" and I'm trying to understand what
19 that is. Is it a bank account? Is it
02:19 20 a savings account? Any --

21 MR. QUINT: She referred to a joint
22 loan; not account. A loan.

23 BY MS. WANG:

24 Q. Well, there was -- I understand that
02:19 25 there was -- there was reference to a loan that your

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1 parents, your mother had jointly borrowed money with
2 your father, but I understood that to be something
3 separate from a joint account that constituted the
4 bulk of your family's wealth. So I'd, actually, the
02:19 5 interpreter to at least try to read that part back?

6 MR. COOPERMAN: Why don't you just ask
7 -- I'm trying to help you.

8 Why don't you just ask: Did you
9 understand, after your father died, that the
02:20 10 BLMIS account was a joint account between your
11 mother and father?

12 MS. WANG: It's because that's not --
13 I don't think that that's clear. That's why
14 I'm trying to get I would like her --

02:20 15 MR. COOPERMAN: Well, why don't you
16 ask her the question? I think she could
17 explain it.

18 MS. WANG: (To the interpreter) Can
19 you actually translate what -- the part where
02:20 20 I said that's actually what I'm trying to get
21 to and what I'm trying to understand?

22 THE INTERPRETER: Okay. I think what
23 she's trying to say that she's not sure
24 whether there was a joint account or not, but
02:21 25 what she knows or what she believes is that

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1 her parents were married under the French
2 regime of the community of assets. I think
3 this is what she's --

4 BY MS. WANG:

02:21 5 Q. So that they jointly held assets
6 together?

7 A. So because of the matrimonial regime, my
8 mother would own half the wealth.

9 MR. QUINT: But for the sake of good
02:22 10 understanding, under French law that doesn't
11 mean at all that there was a joint account,
12 whether BLMIS or bank.

13 THE INTERPRETER: Joint wealth rather
14 joint account.

15 MR. CANAT: It just means that they're
16 sharing their assets.

17 MR. QUINT: That accounts can be --
18 can be in the name of one of the spouses only.

19 MR. COOPERMAN: Can we just stop one
20 second? Off the record.

21 MS. WANG: Let's go off the record.

22 COMMISSIONER: Let's go off the
23 record.

24 VIDEOGRAPHER: We're going off the
02:22 25 record. The time is 14:23.

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1 (A short recess at 2:23 p.m.)

2 (Resumed at 2:29 p.m.)

3 VIDEOGRAPHER: Going back on the
4 record. The time is 14:29.

02:28 5 BY MS. WANG:

6 Q. At the time of your father's death, you
7 learned or came to understand that your family had
8 significant investments with BLMIS; is that right?

9 A. Yes.

02:28 10 Q. Now, were those accounts held in your
11 parents' names, and, if not, can you tell me how they
12 were held?

13 A. Well, what I can tell you is that, in the
14 inventory that was drawn by the notaire,
02:29 15 n-o-t-a-i-r-e, there was one account with BLMIS of
16 which I inherited a part.

17 Q. Could I actually ask you to refer back to
18 Exhibit 16? Look, in particular, at Paragraphs 8
19 through 12 and see if that refreshes your
02:30 20 recollection as to how the accounts, the BLMIS
21 assets, were held at the time of your father's death?

22 A. (Witness reviewed the document) No, I'm
23 not sure why it's written BLMIS accounts because
24 I believe there was only one.

02:31 25 Q. But do you see at Paragraph 11 where it

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1 says "were held and administered by a French bank"?

2 A. "The accounts were held and administered
3 by a French bank." In fact, it didn't even show
4 BLMIS accounts. It showed at Finama as treasury
02:31 5 investments; F-i-n-a-m-a.

6 Q. That's where I was heading. Now, in
7 Paragraph 11 it talks about up until late 1999, so is
8 it your understanding that in 1995, when your father
9 died, the BLMIS accounts were not held directly with
02:32 10 BLMIS; is that right?

11 A. Yes, and this is what I directed, and
12 until 1999 this was held through Finama.

13 Q. Was there a process or bank before
14 Finama? For example, Banque Pour l'Industrie
02:33 15 Francaise?

16 A. Yes, BIF, and this bank became Finama.

17 Q. So when you say BIF, you mean Banque Pour
18 l'Industrie Francaise?

19 A. Which are called BIF, B-I-F. I was
02:34 20 confused. I didn't remember 1995, and I got confused
21 with my mother's inheritance, not my dad's.

22 Q. Now, in 1995, around the time of your
23 father's death, did you have -- you had an
24 understanding that the accounts that were handled by
02:35 25 BIF were BLMIS investment accounts; is that right?

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1 A. I found out very soon after my dad's --
2 my father's death, but before I didn't know. I had
3 no idea. I found out very quickly because there were
4 more difficulties also arose; because more
02:36 5 difficulties arose.

6 My father had left half the inheritance
7 which was coming to me and also to my daughter, and
8 all this was -- my mother had a usufruct life estate
9 right on the whole estate. My daughter was 11. She
02:36 10 had no idea what she was going to do or become, and
11 she was under the custody of a woman over 80 years of
12 age, and I had no power to prevent anything from
13 happening if -- should my daughter go bad. So
14 I asked my mother to forego her usufruct right so
02:37 15 that I would cover the parental authority over my
16 daughter; not in legal terms, but in fact. The
17 situation was not acceptable to me. In the months
18 that followed my father's death, I had this major
19 conflict with my mother. I convinced my mother to go
02:38 20 against my father's Will, the last one.

21 MS. WANG: I'm going to have to stop
22 and take a break because I'm really not
23 feeling well right now.

24 VIDEOGRAPHER: Going off the record at
02:38 25 14:39.

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1 (A short recess at 2:39 p.m.)

2 (Resumed at 3:06 p.m.)

3 VIDEOGRAPHER: We are going back on
4 the record. The time is 15:06.

03:05 5 MS. WANG: Okay.

6 BY MS. WANG:

7 Q. Mrs. Apfelbaum, I apologise for taking
8 a break so suddenly, but we're back.

9 Right before the break you were giving an
03:05 10 answer that I'm going to try to summarise, but
11 I'd like you to try to give the same answer again so
12 that the -- so that the interpreter can get the
13 answer correctly on the record, because there were
14 a lot of things going on in the room right before.

03:05 15 You said -- you said, in sum or
16 substance, "I found out soon after my father's death
17 that there were more difficulties that arose after
18 your father's death". And you then started talking
19 about how your father left the inheritance to you and
03:06 20 to your daughter, and the fact that your daughter was
21 11 years old and some of the issues that arose, and
22 you said the situation was not acceptable to you, and
23 then you convinced your mother to do something.

24 So I was wondering if you could actually
03:06 25 go over what you said right before the break, in your

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1 own words?

2 A. In my -- my father's Will left my mother
3 a usufruct life estate right on my inheritance and my
4 daughter's inheritance, which means that my mother,
03:08 5 who was healthy but getting old, decided -- I mean,
6 controlled what my 11-year old daughter as well -- my
7 11-year old daughter as well -- and you don't know
8 what can happen. I mean, an 11-year old person can
9 convince an older person of different things. So you
03:08 10 didn't know what could happen. So I asked my mother
11 to forego this right, this usufruct life estate
12 right, so that my daughter inherited directly and my
13 husband and I became legal guardians. But, as
14 guardians, we had to see -- to go before the Judge of
03:09 15 -- the guardianship Judge because my daughter was
16 under age. She had the right to decide how to invest
17 her money. We needed an Order from the Judge for
18 that.

19 That's when I found out that the bulk of
03:10 20 the BIF money was at BLMIS, and that's when the
21 guardianship Judge told us that only half of the
22 investment could remain with BLMIS providing there
23 was some guarantee, and that the other half would
24 have to be invested in treasury bonds.

03:11 25 MR. QUINT: French treasury.

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1 THE INTERPRETER: French treasury
2 bonds.

3 THE WITNESS: But we needed
4 a guarantee from BLMIS for my daughter to
03:11 5 guarantee that it was not an adventurous
6 investment.

7 COURT REPORTER: Adventurous?

8 THE INTERPRETER: (To the witness)
9 Adventurous?

03:11 10 MS. WANG: Risky.

11 THE INTERPRETER: A risky.

12 BY MS. WANG:

13 Q. Okay, so going -- going back in time. So
14 before your father's death, then, you did not know
03:12 15 that the majority of the BIF account was held at
16 BLMIS; is that right?

17 A. I didn't know what his wealth was made
18 of; comprised.

19 MS. NERINCK-SELTZER: Was made of.

20 THE INTERPRETER: "I didn't know what
21 his wealth comprised."

22 MS. WANG: Okay.

23 THE INTERPRETER: Sorry.

24 MR. COOPERMAN: Did you get that,
25 Thelma?

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1 COURT REPORTER: "I didn't know what
2 his wealth comprised."

3 Are you happy with that?

4 MR. COOPERMAN: Yes, I just want to
5 make sure you got it.

6 BY MS. WANG:

7 Q. Now, the account at BIF, was it a single
8 account or was it multiple accounts at or around the
9 time of your father's death?

03:13 10 A. I'm trying to visualise the notaire's
11 deed. I believe it was a single account, but I do
12 not have a photographic memory. I'm trying to
13 visualise the notaire's deed.

14 Q. So at or around the time of your father's
03:14 15 death, did you see any statements or account
16 reconciliations or any document from BIF that
17 concerned the account?

18 A. I don't remember. I had a big -- I was
19 focused on a big problem, which was to convince my
03:15 20 mother. It was a very intense period.

21 Q. And when you say "to convince my mother",
22 it was to convince your mother to give up her life
23 estate; is that right?

24 A. To go against my father's Will.

03:15 25 Q. And before your father died, you did not

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1 know that that was what your father's Will had said?

2 A. It was a very, very much surprise.

3 A very big surprise. I didn't know.

4 Q. Had your father discussed his Will with
03:16 5 your mother at that time?

6 MR. COOPERMAN: Objection.

7 THE WITNESS: I don't know.

8 BY MS. WANG:

9 Q. Can you think of any document that might
03:16 10 help you remember whether the BIF account or
11 accounts, that held the BLMIS assets in 1995,
12 consisted of a single account or multiple accounts?

13 A. The -- the notaire's deed for the estate
14 of my father.

03:17 15 Q. Do you know, at the time of your father's
16 death were there account statements or other
17 documents from BIF concerning the accounts?

18 A. I don't understand.

19 Q. What I'm trying to get to here is to see
03:18 20 if there are accounts -- if there are account
21 statements or other documents from BIF that might
22 help you remember how the BLMIS accounts were held.
23 And I'm not suggesting that you would have them or
24 that anyone would have them now. I am just trying to
03:18 25 understand if there were documents at the time.

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1 A. I don't know if it was the same at the
2 time but, for me, because, after I inherited, I had
3 an account with BIF, which was Finama, it had become
4 Finama, and they would send me a monthly statement
03:20 5 and then -- monthly statements and bank -- bank
6 statements, and then yearly statements for tax
7 purposes.

8 Q. So, after 1995, the BLMIS investments
9 continued to be held at BIF or Finama for a period of
03:20 10 time; is that right?

11 A. The investments were reinvested into
12 Madoff accounts because we had a meeting in 1995 with
13 Madoff to get the guarantee for Emilie's investments.

14 Q. And at the time, when you say that the
03:21 15 investments were reinvested, it was done through BIF
16 or Finama; is that right?

17 A. Yes.

18 Q. And when -- after your father's death,
19 though, there were at least three BLMIS accounts,
03:23 20 right? There was one for your mother, one for you,
21 and one for your daughter, but they were all
22 administered through BIF or Finama, at least until
23 1999, right?

24 A. Yes.

03:24 25 Q. Now, during this time, between

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1 approximately 1995 and 1999 when your family had at
2 least three BLMIS investment accounts, did those
3 correspond to three separate BIF or Finama accounts
4 or were they co-mingled into a single BIF or Finama
03:24 5 account?

6 A. Three independent accounts; mine,
7 Emilie's and my mother's, but I don't know about my
8 mother's account at that time.

9 Q. Your mother was handling her own account
03:25 10 at that time?

11 A. She had her account.

12 Q. And during -- at least from 1995 through
13 1999, your mother was in control of her own account
14 and you were not; is that right?

15 THE INTERPRETER: "You didn't have
16 control of your own account?" Is that what
17 you said?

18 MS. WANG: "Your mother was in control
19 of her account and you were not; is that
20 right?"

21 THE INTERPRETER: "And you were not in
22 control of her account?"

23 MS. WANG: In control of her mother's
24 account.

03:26 25 THE WITNESS: I never had control of

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1 her account but, later on, she got control
2 over -- within her account, she had the
3 control of two, their ownerships, because,
4 following the tax authority's contest --

03:27 5 MR. QUINT: Challenge.

6 THE WITNESS: -- challenge of
7 ownership, the estate was re-apportioned, was
8 split again. So, following the tax
9 authority's intervention, the other two
03:28 10 accounts remained the same but my mother's
11 account contained two shares which were --
12 which she didn't own, which was our ownership,
13 which we held, my daughter and I the
14 ownership, and she held the usufruct on this.
03:28 15 She held an estate right.

16 MR. QUINT: You forgot to translate
17 the --

18 THE WITNESS: I left her -- the estate
19 rights because I didn't want to start over
03:29 20 again.

21 I left over the estate rights because
22 I didn't want to start over again.

23 BY MS. WANG:

24 Q. So, in other words, in the BLMIS
03:29 25 investment account that belonged to your mother,

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1 there actually was money that belonged to you and
2 your daughter but your mother held a life estate on
3 it; is that right?

4 A. Yes, and she was -- she had to do a
03:30 5 personage calculus computation every year for the tax
6 authorities, and she had to show this to the notaire;
7 this calculation to the notaire.

8 Q. So when she had to do an annual
9 calculation allocation for the tax authorities, did
03:30 10 your mother consult with anyone in order to make this
11 computation?

12 MR. COOPERMAN: Objection.

13 THE WITNESS: No, because the papers
14 were very clear by the BLMIS and all she had
03:31 15 to do was fill in the papers. She only asked
16 somebody to help her after the BIF let her
17 down; abruptly let us down.

18 BY MS. WANG:

19 Q. When you talk about the papers that your
03:31 20 mother had to complete or these calculations that she
21 had to show to the notaire, who would have had copies
22 of these documents?

23 A. The notaire, maybe he kept them. They
24 were handwritten documents that she would write.

03:32 25 MS. WANG: I'm going to ask the court

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1 reporter to hand you what's been marked as
2 Exhibit 17, which is this 1-page document here
3 bearing the Bates Number AMF00070100.

4 Can you take a look at that document,
03:33 5 Mrs. Apfelbaum, and first please let me know
6 if you've seen it before.

7 (Exhibit 17 marked for
8 identification).

9 BY MS. WANG:

10 Q. Can you take a look at that document,
11 Mrs. Apfelbaum, and first please let me know if
12 you've seen it before?

13 MR. COOPERMAN: Can I ask what was
14 that produced in? Is that something we
03:33 15 produced?

16 MS. WANG: No, that's from our
17 documents; the BLMIS documents.

18 MR. COOPERMAN: Okay. It's not
19 something you produced to us?

03:33 20 MS. WANG: No.

21 MR. COOPERMAN: Are you representing
22 this has something to do with Mrs. Apfelbaum?

23 MS. WANG: Yes.

24 THE WITNESS: No, I've never seen
03:33 25 this.

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1 (A short recess at 3:37 p.m.)

2 (Resumed at 3:50 p.m.)

3 VIDEOGRAPHER: Going back on the
4 record. The time is 15:50.

03:49 5 MS. WANG: I'm going to ask the court
6 reporter to mark as Exhibit 18 a 2-page
7 document. The first page, which is unstamped.
8 The second page bears the Bates Number
9 MADTSS01121826.

10 And my question for you,
11 Mrs. Apfelbaum, after the reporter has marked
12 Exhibit 18, is to take a look at it and, when
13 you're done, let me know if you've seen it
14 before and, if so, what it is.

03:50 15 (Exhibit 18 marked for
16 identification).

17 THE WITNESS: (Witness reviewed the
18 document) Oui.

19 BY MS. WANG:

03:51 20 Q. Can you tell me what it -- if you have
21 seen it before and, if so, what is it?

22 A. Yes, I've seen it. It is a letter
23 I wrote.

24 Q. Okay. Can you tell me approximately when
03:51 25 you wrote it?

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1 A. This -- what I'm reading, it must have
2 been shortly before June 1999.

3 Q. Can you just -- you wrote this letter,
4 right? Is that right?

03:52 5 A. Yes.

6 Q. Can you just read, because it is
7 handwritten, can you just read what you wrote into
8 the record?

9 A. (In person) "Just a word to tell you
03:52 10 that on our coming sale of treasury bills I shall be
11 drawing huge amount because I have finally received
12 the 1996 income tax which I had not paid then because
13 they had miscalculated it (and it took them all this
14 time to correct the figures!). I will also be paying
03:52 15 the 1999 tax on fortune but will not have the exact
16 figures before May 18, with the part that is to be
17 drawn on Emilie's account. Thus I shall call you
18 next week as soon as I know."

19 Q. So do you see where it says, "Dear Frank"
03:53 20 at the top of the letter?

21 A. Yes.

22 Q. Who is the letter addressed to?

23 A. The letter is addressed to Frank
24 Di Pascali.

03:53 25 Q. And what is your understanding of who

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1 Frank Di Pascali is?

2 A. Frank Di Pascali, whom I have never seen,
3 was the man in charge of our accounts at Madoff.

4 Q. Okay. And do you see the first two
03:53 5 lines, "Just a word to tell you that on our coming
6 sale of treasury bills"? What did you mean by "on
7 our coming sale of treasury bills"?

8 A. Most of the time our investment was in
9 treasury bills and I was very attentive to this
03:54 10 because, on a date I forgot, I received a phone call
11 from BIF letting me know that they have found
12 a problem in the figures they gave me to fill in my
13 tax return, because they had just discovered that the
14 tax rate applicable to treasury bills fluctuate from
03:55 15 24 per cent to 50 per cent. It either -- the tax
16 applicable to the proceeds from the sale of treasury
17 bills would be either 20 per cent or 50 per cent.
18 I don't recall the exact rate. Based on when they
19 were sold, it could either be taxed at around 25 per
03:56 20 cent or 50 per cent.

21 Based on what they told me, I think
22 I understood that, if they were sold after having
23 matured, then they would be considered as dividends
24 and taxed at 50 per cent, and, if they were sold
03:57 25 before maturation, then they were considered as

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1 equity. That's what they found out when they had
2 a doubt and they asked for an advice from the firm
3 Francis, F-r-a-n-c-i-s, Lefevre, L-e-f-e-v-r-e. The
4 bank took care of this and told me the result.
5 L-e-f-e-b-v-r-e.

6 The treasury bills from Di Pascali, from
7 the last, I regularly verified the treasury bills to
8 make sure that they did not mature.

9 Q. So you regularly verified and called
03:58 10 Frank Di Pascali to make sure that BLMIS sold the
11 purported treasury bills before their maturation
12 date; is that right?

13 MR. COOPERMAN: Objection.

14 THE WITNESS: Yes, I would remind him.

03:59 15 BY MS. WANG:

16 Q. Did you remind him by writing to him? By
17 faxing him? By calling?

18 A. Both, I believe. Either, I mean. More
19 often by fax because I don't like using the
03:59 20 telephone.

21 Q. So you said in an earlier answer that BIF
22 called you once letting you know that they found
23 a problem with the tax returns because apparently the
24 treasury bills had been sold and they -- at a date,
04:00 25 I believe -- I presume, where the 50 per cent tax

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1 rate had applied. Had that -- had that happened only
2 once or had that happened more than once over the
3 life of the accounts?

4 A. I don't know. The banks probably know
04:01 5 how to declare them. They were the ones having
6 questions about it.

7 Q. Because the bank would provide you the
8 tax rate or the amount of the tax on the profit; is
9 that right?

04:01 10 A. The bank provide me with the amount
11 saying that they were capital gains, and then saying
12 whether they were dividend capital gains or not. And
13 what was a bit silly was that, if it was sold just
14 one day before maturing, then it was not considered
04:02 15 dividend; it was a different tax rate.

16 Q. And the taxes on the capital gains or
17 dividend capital gains, how often would they have
18 been paid?

19 MR. COOPERMAN: Objection.

04:02 20 THE WITNESS: Once a year you have to
21 file a return.

22 BY MS. WANG:

23 Q. So as of 1999, was it your understanding
24 that the investment strategy in yours and Emilie's
04:03 25 BLMIS accounts consisted of investing in buying and

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1 selling US treasury bills?

2 MR. COOPERMAN: Objection.

3 THE WITNESS: I've never known exactly

4 what the strategy was. I've only noticed that

04:04 5 on the monthly statements there were dividends

6 or equity.

7 BY MS. WANG:

8 Q. Did BLMIS engage in trading any

9 securities or any other import -- sorry, let me start

04:04 10 that again.

11 For your accounts, did BLMIS trade in any

12 other securities or engage in any other trading

13 strategies, for lack of a better word?

14 MR. COOPERMAN: Objection.

04:05 15 THE WITNESS: I don't know any --

16 I don't know anything about Stock Exchange.

17 All I know is that I was told that they were

18 either treasury bills or equities. Stocks.

19 I've never seen anything else.

04:06 20 BY MS. WANG:

21 Q. Do you see in lines 2 and 3 of the text

22 where it says, "I shall be drawing huge", which is

23 underlined, "amounts because I have finally received

24 the 1996 income tax which I had not paid then because

04:06 25 they had miscalculated it"? Can you tell me what you

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1 meant by writing that?

2 A. The French tax authorities made
3 a mistake. They forgot one zero, which made a huge
4 difference in the amount that we had to pay. So we
04:06 5 signalled it to them, and it took them that long to
6 correct it.

7 Q. So you had to pay additional tax based on
8 the 1996 income tax; is that right?

9 A. Yes, because they would not receive it
04:07 10 before.

11 Q. Do you have any understanding of what
12 amount you meant when you wrote "huge", underlined,
13 "amount"?

14 A. Not at all, but everything looked huge to
04:07 15 me.

16 Q. Was it on the order of, for example,
17 a million dollars or more?

18 MR. COOPERMAN: Objection.

19 MR. QUINT: Excuse me. Here we have
04:08 20 a problem with the blocking statute.

21 Mrs. Apfelbaum is not allowed to give any
22 information, any financial information, which
23 means any figure. So I ask Mrs. Apfelbaum not
24 to answer that question.

25

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1 BY MS. WANG:

2 Q. Mrs. Apfelbaum, are you going to follow
3 your lawyer's instruction?

4 A. Yes.

04:08 5 MR. CANAT: I'm sorry, but I disagree
6 with your position because they were under the
7 treaty of The Hague treaty --

8 COURT REPORTER: I'm sorry, I can't
9 hear you. They were what? "I disagree with
10 your position because"?

11 MR. CANAT: This billing is under The
12 Hague treaty, and we are here to exchange
13 information and there is no limitation to
14 whatever it is, except transfer of documents.

04:09 15 MR. QUINT: I do not agree, I'm sorry.

16 MR. CANAT: Plus, if you read --

17 MR. QUINT: Even though we are under
18 The Hague Convention posture, still the
19 financial information must not be disclosed.

04:09 20 MR. CANAT: There has -- there's no
21 limitation in The Hague convention on this
22 point. And, if you look at the instructions
23 which have been given, there is no limitation
24 when they exchange information. We are not
04:09 25 advised to exchange documentation.

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1 taking the break, Mrs. Apfelbaum, was, do you have
2 any understanding of what you meant by the word
3 "huge", which you underlined in this letter to
4 Mr. Di Pascali?

04:22 5 A. As far as a figure was concerned, no,
6 I don't.

7 Q. And I'm asking not to disclose any
8 figures obviously because that's where the blocking
9 statute controversy arose. But whether --

04:23 10 A. It was more money than usual because
11 I was going to have to pay two taxes at once.

12 Q. And one of the taxes, you had said
13 earlier, was off by a word of magnitude. In other
14 words, off by a factor of 10 because somebody had
04:23 15 left off a zero; is that right?

16 MR. COOPERMAN: (To the witness) You
17 have to answer verbally.

18 THE WITNESS: Yes.

19 BY MS. WANG:

04:23 20 Q. And was -- so that amount for the taxes
21 was taken out of one of the BLMIS accounts; is that
22 right?

23 A. From my account. But, based on what
24 I can see, I was also going to give the figures for
04:24 25 the amount to be taken off Emilie's accounts.

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1 Q. So the 1996 income tax, that's referred
2 to in Exhibit 18, would have been taken out of your
3 account, and the 1999 tax on fortune, referenced in
4 this exhibit, would have been taken out of Emilie's
04:24 5 account; is that right?

6 MR. COOPERMAN: Objection.

7 MS. WANG: I have to take a little
8 break. I'm sorry.

9 VIDEOGRAPHER: Going off the record
04:25 10 at 16:26.

11 (A short recess at 4:26 p.m.)

12 (Resumed at 4:40 p.m.)

13 VIDEOGRAPHER: We're going back on the
14 record. The time is 16:40.

04:39 15 BY MS. WANG:

16 Q. All right. Mrs. Apfelbaum, I apologise
17 again for taking another break.

18 The question that was pending right
19 before the break was: So the 1996 income tax, that's
04:39 20 referred to in Exhibit 18, would have been taken out
21 of your account -- out of your account, and the 1999
22 tax on fortune, as shown in this exhibit, would have
23 been taken out of Emilie's account; is that right?

24 A. Not entirely for the wealth tax 1999. My
04:40 25 share would be taken off my account and Emilie's

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1 share would be taken off her account.

2 Q. And do you see where it says -- or going
3 back to where it says "paying the 1999 tax on
4 fortune", is that the same as saying is a wealth tax?

04:41 5 MR. CANAT: Yes.

6 THE WITNESS: Yes.

7 BY MS. WANG:

8 Q. And do you see where it says, "but will
9 not have the exact figures before May 18"? Do you
04:41 10 have any understanding of why the date of May 18th
11 mattered?

12 A. Yes, because on May 18th I was scheduled
13 to have an appointment with my tax adviser that
14 helped me fill out the tax returns for the wealth
04:42 15 tax.

16 Q. Who was this tax adviser again?

17 A. Mr. Philippe, P-h-i-l-i-p-p-e, Colin.

18 Q. How do you spell Mr. Colin's last name?

19 A. C-o-l-i-n.

04:42 20 Q. Now, at this time you -- your BLMIS
21 accounts were still being administered through Finama
22 or BIF; is that right?

23 A. Yes.

24 Q. Did you have a particular contact at BIF
04:43 25 or Finama with regard to your account, or was it

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1 through a department or was it -- or was it with
2 a particular department?

3 A. The documents were sent to me by
4 Mrs. Dringenberg.

04:44 5 Q. So can you take me through a typical
6 process of withdrawing money or getting a redemption
7 from your BLMIS account while BIF and Finama were
8 still administering them?

9 MR. COOPERMAN: Objection.

04:44 10 BY MS. WANG:

11 Q. For example, if you needed to make a
12 redemption or obtain cash out of BLMIS, who starts
13 the process?

14 MR. COOPERMAN: Are you talking still
04:45 15 the BIF period?

16 MS. WANG: Mmmm.

17 MR. COOPERMAN: Because you asked --
18 I object to your question. The two questions
19 you asked were different. One, you asked who
20 she talked to in BIF, and the other you asked
21 --

22 MS. WANG: Well, we got that; that
23 was Ms. Dringenberg.

24 MR. COOPERMAN: No. Just take a look.
04:45 25 You just asked a question without an answer

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1 and then asked another question which
2 contradicts it.

3 BY MS. WANG:

4 Q. Let me start -- let me ask this question
04:45 5 again.

6 So can you take me through a typical
7 process of how you would withdraw money from your
8 BLMIS account, specifically during the time that BIF
9 or Finama were still administering them?

04:45 10 MR. COOPERMAN: Objection.

11 THE WITNESS: I can't remember
12 precisely. It seems I would write to
13 Frank Di Pascali. Maybe to Ms. Dringenberg,
14 but I do not remember telling them the amount
04:46 15 I would need.

16 BY MS. WANG:

17 Q. And then the francs or the Euros would
18 appear -- would appear in your account at BIF or
19 Finama?

04:46 20 A. Yes.

21 Q. Or would they be wired to a different
22 account, a different bank account that you had?

23 A. (In person) Ah.

24 (Interpreted) The amount was wired to
04:47 25 the joint account I had with my husband.

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1 Q. And that was an account at BIF or Finama,
2 or was it somewhere else?

3 A. Somewhere else.

4 Q. Can you tell me the name of the bank?

04:47 5 A. Societe Generale.

6 Q. During the period when BIF or Finama was
7 administering your BLMIS account, did you ever
8 withdraw francs or Euros directly from the BIF or
9 Finama accounts?

04:48 10 A. I don't recall. I really don't remember.

11 MS. WANG: Mrs. Apfelbaum, I'm going
12 to have you -- I'm going to ask the reporter
13 to mark a 2-page document as Exhibit 19 -- oh,
14 a 3-page document that will be marked as
04:49 15 Exhibit 19, and take your time to review it
16 and when you're done let me know what it is.

17 (Exhibit 19 marked for identification)

18 THE WITNESS: (Witness reviewed the
19 document) It's the same document.

04:50 20 BY MS. WANG:

21 Q. So pages 2 and 3 are the same letter,
22 they just appear to be different versions; is that
23 the right?

24 MR. COOPERMAN: Can you explain?

04:51 25 I think the explanation is that you've just

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1 put two different pages together to create one
2 document. These two pages were not together
3 ever. This is a document we produced,
4 Apfelbaum 1727, and the first one is a
04:51 5 document from their files, okay, but they're
6 just -- they've put them together.

7 So also this first page, this is an
8 exhibit -- this was an exhibit of your answer
9 to our motion to dismiss, which I do not
04:51 10 believe had the third page because we hadn't
11 produced the documents yet. So this is all,
12 sort of, an artificial exhibit.

13 BY MS. WANG:

14 Q. Okay. So, Mrs. Apfelbaum, I will
04:52 15 represent to you that the page that has the number at
16 the lower right corner MADTSS00258367 came from
17 BLMIS's files, and then the page that says at the
18 bottom Confidential Material, Apfelbaum 01727 came
19 from you or came from a production, from your
04:52 20 production.

21 okay. I want to call your attention --
22 let's look at the document that's marked Apfelbaum
23 01727. It's a little clearer. Can you tell me what
24 that document is?

04:53 25 A. This is a letter I wrote to

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1 Frank Di Pascali to remind him to sell -- to make
2 sure that he had -- to verify that he had sold the
3 treasury bill ahead of maturing because it was -- for
4 me, it was a problem but for him maybe not because
04:54 5 this was a very French particulite.

6 COURT REPORTER: Very French?

7 THE INTERPRETER: Question. Matter.

8 A very French matter. It was a French-only
9 matter. A matter that only concerns France.

04:54 10 BY MS. WANG:

11 Q. So do you see -- so the main body, the
12 handwritten portion of Apfelbaum 1727 is your
13 handwriting; is that right?

14 A. Yes.

04:54 15 Q. Could you please read the handwriting on
16 Apfelbaum 1727 into the record, please?

17 A. (In person) "Just back from a congress
18 tonight. I find no notice concerning Emilie, and
19 it's too late to reach the bank to check.

04:55 20 "Can you confirm to me that her Treasury
21 Bills have been sold (it has to be done by now, so as
22 not to be dated for us October 14).

23 "Thank you for letting me know by fax."

24 Q. And is it your understanding that the
04:55 25 October 14th referenced in this letter would be the

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1 maturity date of the treasury bills that needed to be
2 sold from Emilie's account?

3 A. Yes.

4 Q. Do you recall if Mr. Di Pascali let you
04:55 5 know by fax? Responded to this letter by fax or not?

6 A. No.

7 Q. So going to the beginning of the letter
8 where it says, "Just back from a congress tonight.
9 I find no notice concerning Emilie", what was the
04:56 10 congress that you're referring to there?

11 A. I don't know. There's no date helping
12 to me. Congress is...

13 Q. Is congress a conference? Or is it
14 a meeting?

04:56 15 A. It can be one or the other. It can be
16 a congress or board. It can be one or the other.
17 But it's probably abroad because I say I'm just back.

18 Q. So you think it was a meeting that was
19 abroad and you had just returned home?

04:57 20 A. Yes, I believe I left for a few days for
21 a conference abroad.

22 Q. Where you say "I find no notice
23 concerning Emilie", what is that referring to?

24 A. I try to remember. I believe that the
04:58 25 BIF would forward to me faxes that they would receive

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1 from Madoff to let me know the transactions that were
2 made, but I'm not sure.

3 Q. So at this time frame, then, while --
4 when BIF or Finama was administering the accounts,
04:59 5 you would get confirmation of any purchase or sales
6 from BIF or Finama, not from BLMIS; is that your
7 recollection?

8 A. Yes, I think so, because I don't know the
9 date of this document and, after the year 2000,
04:59 10 I received the notices directly from BLMIS.

11 Q. Going back to the earlier page on
12 Exhibit 19, marked MADTSS00258367, do you recognise
13 any of the handwriting on the bottom of that page?

14 MR. COOPERMAN: By "body", you mean
05:00 15 below where it says, "Best Regards, Laurence"?

16 MS. WANG: That's right.

17 THE WITNESS: No, not at all.

18 BY MS. WANG:

19 Q. Now, you mentioned earlier, and then you
05:00 20 again referred to a time when you -- a time when you
21 came to manage your account directly. And I believe
22 earlier you said when BIF abruptly let us down. Can
23 you tell me about that or what you meant by that?

24 A. A few months prior to the end of 1999,
05:01 25 I don't remember if I was called by phone or if

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1 Mrs. Dringenberg wrote to me, but the information was
2 that they were shutting down their foreign service.
3 So I made an appointment and met with
4 Mrs. Dringenberg, and she told me that they were
05:03 5 closing down their foreign operations and that she
6 herself was finding herself unemployed. I asked her
7 what to do. She said nothing else but continue
8 directly with Madoff. There was no other suggestion.

9 Q. Okay. Now, at the time that you had made
05:03 10 an appointment with Mrs. Dringenberg and you were
11 discussing Finamar's closing down their operations in
12 the foreign market, did you have any understanding
13 whether they were only closing down investments with
14 BLMIS or with other foreign investments or anything
05:04 15 else?

16 A. As far as I was concerned, it was all
17 operations abroad because it was the foreign
18 services, the operations that were closed.

19 Q. And they didn't give you any reason they
05:04 20 were closing down their foreign operations; is that
21 right?

22 A. No, they didn't.

23 Q. And is it your recollection that you
24 first heard the news from Finama or that you heard it
05:05 25 from somebody at BLMIS?

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1 A. From Finama.

2 Q. What did you do after the meeting with
3 Mrs. Dringenberg about your accounts?

4 THE INTERPRETER: Sorry, I didn't hear
05:05 5 that.

6 MS. WANG: Sorry, let me rephrase the
7 question because I didn't ask it very well.

8 BY MS. WANG:

9 Q. What did you do about your accounts after
05:05 10 you had the meeting with Mrs. Dringenberg?

11 A. I don't remember very specifically.
12 I believe I talked to my mother to ask her what she
13 did with her accounts. She said she talked to
14 Mr. Madoff and he said that we could continue
05:06 15 directly with him; that it didn't pose any specific
16 problem.

17 Q. When you spoke to your mother about
18 Finama closing its foreign investments branch or
19 office, did your mother already know that Finama was
05:07 20 closing its operation?

21 MR. COOPERMAN: Objection.

22 MS. WANG: Actually, let me ask that
23 again because that wasn't...

24 BY MS. WANG:

05:07 25 Q. When you discussed with your mother the

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1 news that Finama was closing its foreign investments
2 operations, did your -- did your mother already know
3 or were you the one to tell her?

4 MR. COOPERMAN: Objection.

05:07 5 THE WITNESS: I don't remember.

6 BY MS. WANG:

7 Q. When you spoke to your mother at this
8 time when Finama was closing its foreign investments
9 operations, did you ever discuss taking the money and
05:08 10 investing elsewhere?

11 A. I don't think so.

12 Q. Did you consult with anyone, for example,
13 a financial adviser or an investment planner, about
14 what to do -- about what to do with the accounts at
05:09 15 Finama?

16 A. No, I didn't consult anyone because
17 I expected the bank to tell me what to do, and the
18 bank told me to continue with Mr. Madoff.

19 COURT REPORTER: I'm sorry, I'm not
20 hearing you.

21 THE INTERPRETER: "I expected the bank
22 to tell me what to do, and the bank told me to
23 continue with Mr. Madoff."

24 BY MS. WANG:

05:09 25 Q. Now, your mother said -- you said earlier

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1 Q. Is that December 14th, '99 date
2 consistent with your recollection of when Finama
3 closed its foreign investment operations?

4 A. Yes. I know it happened very fast.
05:18 5 That's why I said they let us down.

6 Q. And it was around the end of 1999?

7 A. Yes.

8 Q. Did you have to execute --

9 A. I think I said that before.

05:19 10 Q. Okay. Did you have to execute any new
11 agreements with BLMIS as a result of Finama closing
12 its foreign investment operations?

13 A. No.

14 Q. Did you receive any documentation from
05:19 15 BLMIS once you began administering the -- your BLMIS
16 accounts directly?

17 MR. COOPERMAN: You're asking aside
18 from the account statements which she
19 testified she received?

05:19 20 MS. WANG: Mmmm.

21 THE WITNESS: I didn't understand.

22 MR. COOPERMAN: Did you get what
23 I said?

24 THE INTERPRETER: No, I didn't hear
25 what you said.

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1 MS. WANG: Why don't you read it? It
2 should be in there

3 MR. COOPERMAN: Yeah. You were
4 asking, aside -- here.

05:20 5 (Question interpreted)

6 THE WITNESS: No.

7 BY MS. WANG:

8 Q. So just so I understand. I'm asking
9 specifically about the time when you transitioned
05:20 10 from having your BLMIS account administered through
11 Finama and then began administering them directly.

12 (To the interpreter) Could you please
13 translate that part before I finish my
14 question?

15 (Question interpreted)

16 BY MS WANG:

17 Q. Is it your recollection that one month
18 you were receiving statements from BIF or Finama, and
19 then, when the accounts were transitioned so that you
05:21 20 were administering them directly, you simply started
21 receiving account statements from BLMIS directly?

22 A. Yes, that's the way I remember it.

23 Q. How did you receive those statements?
24 Was it by fax, by mail or some other way?

05:22 25 A. I believe the multi-statements were sent

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1 by mail, and the faxes were sent every time there was
2 transactions made. So the monthly statements were
3 sent by mail and not by fax.

4 Q. And then you would receive a separate fax
05:23 5 periodically or every time there was a transaction
6 made in the account?

7 A. Only when there was a transaction made.

8 Q. And who would you receive the fax from?
9 From Frank Di Pascali?

05:23 10 A. Yes.

11 Q. Did you ever receive any faxes from BLMIS
12 from anyone else telling you --

13 (Interpreter began to interpret)

14 Wait, wait.

05:23 15 Did you ever receive any faxes from
16 BLMIS, from anyone else, telling you about
17 transactions that had taken place in your account?

18 A. No. No, I don't think so. I can't --
19 I can't think of any.

05:24 20 MS. WANG: We'll take a short break
21 and then we might be done for today. I just
22 want to confer with my counsel.

23 VIDEOGRAPHER: We're going off the
24 record. The time is 17:25.

05:24 25 (A short recess at 5:25 p.m.)

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1 (Resumed at 5:28 p.m.)

2 VIDEOGRAPHER: Going back on the
3 record. The time is 17:28.

4 MS. WANG: Mrs. Apfelbaum, I just have
05:27 5 a few more questions for you before you break
6 for the day.

7 BY MS. WANG:

8 Q. Did you receive any written
9 communications -- letters or faxes -- from anybody
05:27 10 else at BLMIS, other than Frank Di Pascali, for any
11 reason?

12 A. If I received something, it may be from
13 Mr. Madoff regarding the letter of guarantee which we
14 were asking him in 1995.

05:28 15 Q. And did you --

16 A. I'm not even sure because he came to
17 Paris to discuss this issue; this matter. If
18 I received anything from BLMIS, other than was sent
19 by Mr. Di Pascali -- if I was sent anything from
05:29 20 somebody else than Mr. Di Pascali at BLMIS, then this
21 must be it. I'm not -- I just can't remember.

22 Q. Did you have any telephone conversations
23 with anybody at BLMIS other than Mr. Di Pascali?

24 MR. COOPERMAN: This is any time from
05:29 25 '95 up to 2008?

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1 MS. WANG: Mmmm.

2 MR. COOPERMAN: So she understands.

3 MS. WANG: Or even before 1995.

4 MR. COOPERMAN: Sure.

05:30 5 THE WITNESS: Yes, it's happened that
6 I would call Mr. Madoff on business, for a few
7 matters of information.

8 MR. COOPERMAN: This transcript is
9 wrong.

05:31 10 MR. QUINT: Mrs. Apfelbaum said, "No,
11 not on business". So "on business", should be
12 deleted.

13 BY MS. WANG:

14 Q. Can you start your answer again? After
05:31 15 1999 --

16 MR. COOPERMAN: Can we have on the
17 record here that we objected to the
18 translation.

19 MS. WANG: It is in there. It is in
05:31 20 there.

21 MR. COOPERMAN: It's not in the
22 record. Now it is.

23 MS. WANG: Okay.

24 BY MS. WANG:

05:31 25 Q. So just so I'm clear. Before 1995 your

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1 recollection is that you had no communications in any
2 form with anybody from BLMIS; is that right?

3 A. Under any form whatsoever? The question
4 is, do you want to know under any form? Yes, I want
5 to know under any form whatsoever.

6 In 1981 it was the year I got married.
7 I took a trip to the United States. We went from New
8 York, because my husband had a meeting in
9 Philadelphia or Boston. We visited New York. And my
05:32 10 father told me that, if we wanted, we could telephone
11 one of his friends and that we could visit Wall
12 Street.

13 So in 1981 I did call Bernard Madoff,
14 whom I didn't know and who was supposed to be
05:33 15 a friend of my father's. And I met him along with my
16 husband in his offices in Wall Street and he showed
17 us the floor, the trading floor.

18 That's the end of the story. I believe
19 I didn't see Bernard Madoff. He never called. He
05:33 20 never specifically spoke. When my father was alive
21 he would come to Paris so I may have -- we may have
22 crossed paths, but I didn't have any contact. And,
23 as far as I was concerned, he was a business relation
24 of my father's; as far as I was concerned, he was a
25 business relation of my father's.

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1 In '95, yes, I did, telling him that the
2 Judge wanted -- required letters of guarantees for
3 Emilie, and telling him that, if he could not
4 deliver, then we would invest somewhere else. I told
05:34 5 him when the bank told me about the treasury bills
6 story, issues, to explain to him, and may have called
7 him. Every time there was some landmark, even,
8 I called him.

9 Q. And when you mentioned the treasury bills
05:35 10 issues, that -- that is in reference to selling --
11 making sure that BLMIS sold the treasury bills before
12 the maturity date, right?

13 (Simultaneous translation; both interpreter and
14 witness speaking at the same time)

05:35 15 A. Then I reminded Mr. Di Pascali regularly.

16 MS. WANG: You missed a lot in there.
17 She was speaking -- she was translating before
18 you said, "Then I reminded Mr. Di Pascali".
19 She said "yes".

20 BY MS. WANG:

21 Q. The question was -- let's get that answer
22 again, I'm sorry, because I think the reporter didn't
23 get the first part of your answer.

24 My question was, and when you mentioned
05:36 25 the treasury bill issues in your previous answer,

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UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

SECURITIES INVESTOR PROTECTION
CORPORATION,
Plaintiff-Applicant,
v.

Adv.Pro.No.08-01789 (SMB)
SIPA LIQUIDATION
(Substantively
Consolidated)

BERNARD L. MADOFF INVESTMENT
SECURITIES LLC

Defendant.

In re:

BERNARD L. MADOFF,
Debtor.

IRVING H. PICARD, Trustee for the
Liquidation of Bernard L. Madoff
Investment Securities LLC,

Plaintiff,

v.

ESTATE (SUCCESSION) OF DORIS IGOIN,
ET AL,

Defendants.

VIDEOTAPED DEPOSITION UPON ORAL EXAMINATION
of MRS LAURENCE APFELBAUM
ON THURSDAY, MARCH 27, 2014

TAKEN AT:

ARTUS WISE PARTNERS,
154, BOULEVARD HAUSSMANN,
PARIS 75008,
FRANCE

BEFORE SUSAN A. MCINTYRE, CSR, RPR, CRR, MBIVR

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1 MR COOPERMAN: Objection. 10:17:26

2 THE WITNESS: Yes. Yes, I did such 10:17:42

3 withdrawals and placed them on the joint account 10:18:23

4 in order to pay for my tax. My taxes were very 10:18:25

5 high as regards the capital gain tax on my 10:18:33

6 portfolio. That part of my taxation was higher 10:18:36

7 than the taxes on my professional income, and 10:18:42

8 that's why I needed to make those withdrawals. 10:18:46

9 And, naturally, I placed them on the joint account 10:18:50

10 since we were a household and, as such, had a 10:18:53

11 household tax return to do. 10:18:58

12 BY MS WANG: 10:19:09

13 Q. When you made these withdrawals for 10:19:09

14 taxes, did you request them specifically from 10:19:12

15 BLMIS? 10:19:17

16 MR COOPERMAN: Objection. 10:19:24

17 THE WITNESS: That was answered 10:19:37

18 yesterday. 10:19:47

19 MR COOPERMAN: That's why 10:19:50

20 I objected. 10:19:51

21 BY MS WANG: 10:19:53

22 Q. Well, can you just answer it again 10:19:54

23 since I don't have the transcript in front of me 10:19:56

24 right now? 10:20:02

25 MR COOPERMAN: Objection. 10:20:03

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1	THE WITNESS: Yes. As I said	10:20:44
2	yesterday, I did write Mr de Pascali a letter	10:20:47
3	requesting such a withdrawal, I think it was '96	10:20:53
4	or '99. In fact twice a year I would -- when	10:20:57
5	I got my tax figures I sent them to him in a	10:21:03
6	letter so that the appropriate withdrawal could be	10:21:05
7	made.	10:21:09
8	I would like to say something about	10:22:28
9	my statement of yesterday. I wonder whether	10:22:30
10	I caused confusion in the way you reformulated	10:22:34
11	what I said, I'm not quite sure.	10:22:39
12	When you summed up about the selling	10:22:41
13	before maturity of the securities -- the Treasury	10:22:44
14	Bills, sorry -- what happened is I regularly	10:22:49
15	checked my Treasury Bills and when the date, the	10:22:53
16	due date, was coming up, if nothing had happened	10:22:59
17	I got a bit worried and called Mr de Pascali.	10:23:03
18	Because his activities tended to take place at a	10:23:12
19	rather uncontrolled rhythm. And if he hadn't done	10:23:16
20	anything and I felt it was time, well, I took	10:23:22
21	action. I don't know how many times it happened.	10:23:24
22	I remember being worried, but not how many times	10:23:44
23	I had to call him.	10:23:48
24	BY MS WANG:	10:23:52
25	Q. So just so I understand, the	10:23:53

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1	rollover of the Treasury Bills, you know, making	10:23:56
2	sure that they were sold before the maturity date,	10:23:59
3	was something that happened on a fairly regular	10:24:03
4	basis but that's separate from requesting certain	10:24:05
5	withdrawals to cover tax payments, is that right?	10:24:10
6	MR COOPERMAN: Objection.	10:24:42
7	[Mr Quint speaks to the witness in	10:24:47
8	French]	10:25:09
9	THE WITNESS: Correct. I had to be	10:25:50
10	in touch with him twice a year for redeeming some	10:25:53
11	bills in order to pay my tax, that's one thing.	10:25:58
12	Then, as regards the rollover of the	10:26:02
13	securities, sometimes he did it and I didn't need	10:26:06
14	to worry and sometimes I had to call him, but	10:26:12
15	I can't say whether I had to call him about this.	10:26:16
16	Maybe it happened twice in the given year and then	10:26:19
17	it didn't happen for several years. All	10:26:22
18	I remember is my concern about it. And sometimes	10:26:26
19	I didn't have to call on him. It was only when he	10:26:31
20	left it to the last week, and then I did call him.	10:26:36
21	I didn't call him on a regular basis.	10:26:39
22	BY MS WANG:	10:26:46
23	Q. Now, when you said you had to be in	10:26:46
24	touch with him twice a year for redeeming Treasury	10:26:48
25	Bills in order to pay tax, did that happen at a	10:26:53

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1	regular time of year or a regular month each year?	10:26:56
2	A. For the tax on fortune, ISF, that's	10:27:55
3	very regular, it's June. For the income tax the	10:28:02
4	dates fluctuate much more. As you've seen,	10:28:08
5	sometimes they committed an error (like we saw the	10:28:10
6	fax of 1996), and sometimes they're late. So the	10:28:14
7	moment when they send the appeal to pay varies, in	10:28:22
8	fact.	10:28:32
9	Q. What do you mean when you said "the	10:28:43
10	moment when they send the appeal"? Is that a tax	10:28:45
11	bill?	10:28:49
12	A. They call up the payment and --	10:29:08
13	It's quite complicated, the French	10:29:23
14	tax system. There are two parts: there's the	10:29:25
15	income tax, for which they send you like an	10:29:27
16	invoice --	10:29:33
17	THE INTERPRETER: And that's why	10:29:35
18	I said "appeal," which might not be the right	10:29:36
19	word.	10:29:39
20	MS WANG: So "appeal" meaning	10:29:40
21	"invoice"?	10:29:42
22	MR QUINT: Notice to pay.	10:29:43
23	THE INTERPRETER: Notice to pay,	10:29:47
24	thank you.	10:29:47
25	THE WITNESS: Then they also have	10:29:47

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1	used.	10:45:19
2	MR COOPERMAN: You didn't listen to	10:45:20
3	yesterday because she explained exactly what	10:45:21
4	happened, and I'm not going to say it because	10:45:23
5	you'll accuse me of testifying again. But you	10:45:25
6	didn't listen to her answers. So I'd like to take	10:45:29
7	a break, then you should ask away, she'll give you	10:45:31
8	the exact explanation which she told yesterday,	10:45:33
9	too.	10:45:35
10	MS WANG: There's a question	10:45:36
11	pending. I'll rephrase the question.	10:45:37
12	MR COOPERMAN: I'm not going to let	10:45:39
13	her --	10:45:41
14	MS WANG: No, there's a question	10:45:41
15	pending that I will rephrase to address your	10:45:42
16	objection right now and then maybe we should take	10:45:45
17	a break and you and I should discuss as well.	10:45:47
18	MR COOPERMAN: I'm happy to explain	10:45:53
19	to you off the record, if you like, if that's what	10:45:54
20	you'd want, but I think it is better coming from	10:45:56
21	the witness, so...	10:45:58
22	Can I just ask --	10:46:04
23	(To the witness): Do you feel	10:46:05
24	comfortable now? Are you okay to answer the	10:46:06
25	question where she's getting at or do you want a	10:46:09

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1	break?	10:46:11
2	THE WITNESS: Let's have the	10:46:18
3	question again, I can't remember it.	10:46:19
4	MS WANG: I'm going to rephrase the	10:46:21
5	question, that may address some of your concerns	10:46:23
6	right now, Mr Cooperman.	10:46:25
7	BY MS WANG:	10:46:37
8	Q. As of 2008, did your daughter Emilie	10:46:37
9	live with you?	10:46:41
10	A. That's the rephrased question?	10:46:48
11	Q. I'm rephrasing the question.	10:46:51
12	MR COOPERMAN: She's asking a new	10:46:58
13	question.	10:47:04
14	THE WITNESS: Yes, she did.	10:47:04
15	BY MS WANG:	10:47:05
16	Q. In 2008, what was the source of	10:47:07
17	funds for Emilie's other costs: incidentals,	10:47:09
18	shopping, eating, vacations, any of that?	10:47:15
19	MR COOPERMAN: Objection.	10:47:18
20	(To the witness): You can answer.	10:47:52
21	THE WITNESS: I don't know. I would	10:47:52
22	have to think about it. I could imagine -- no,	10:47:58
23	I can't imagine.	10:48:02
24	MR COOPERMAN: Can we take a break?	10:48:07
25	MS WANG: Sure.	10:48:08

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1	THE VIDEOGRAPHER: Going off the	10:48:10
2	record. The time is 10:48.	10:48:11
3	(Off the record - 10:48 a.m.)	10:58:44
4	(On the record - 11:05 a.m.)	11:05:06
5	THE VIDEOGRAPHER: Going back on the	11:05:06
6	record. The time is 11:05.	11:05:11
7	BY MS WANG:	11:05:13
8	Q. Mrs Apfelbaum, I wanted to go back	11:05:15
9	to an area that we touched upon yesterday, which	11:05:18
10	was the inheritance from your father when your	11:05:21
11	father passed away.	11:05:24
12	Yesterday -- and correct me if I'm	11:05:26
13	wrong -- but your father's will had left a	11:05:28
14	usufruct to your mother and 25% of the estate was	11:05:35
15	to pass to you and to your daughter -- each -- was	11:05:39
16	to pass to you and your daughter Emilie, is that	11:05:41
17	right?	11:05:45
18	A. No. Not quite.	11:06:03
19	Q. Can you refresh my memory what	11:06:05
20	happened?	11:06:09
21	MR COOPERMAN: Objection.	11:07:00
22	THE WITNESS: So, my parents were	11:08:03
23	married under community of assets, therefore 50%	11:08:06
24	of the assets belonged to my mother, the other 50%	11:08:18
25	that had belonged to my father were passed down to	11:08:23

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1	that mean? Does that mean she actually controlled	11:11:31
2	the assets that were supposed to have passed to	11:11:35
3	you and your daughter?	11:11:38
4	MR COOPERMAN: Objection.	11:11:43
5	THE WITNESS: The problem concerned	11:12:28
6	Emilie's share of the fortune. Because her	11:12:59
7	grandmother, having a right of usufruct, could	11:13:01
8	make withdrawal's on Emilie's account. She did it	11:13:05
9	for Emilie. And it wasn't reasonable. Emilie	11:13:09
10	would twist her grandmother into doing these	11:13:13
11	withdrawals and I felt it was not good and that's	11:13:16
12	why I asked my mother to give up having this	11:13:20
13	usufruct. Because Emilie was escaping my --	11:13:31
14	[The witness speaks to the interpreter in	11:13:31
15	French]	11:13:31
16	Nothing happened. Emilie was an	11:13:39
17	adolescent. And although nothing happened I was	11:13:46
18	worried about this situation.	11:13:49
19	BY MS WANG:	11:13:51
20	Q. So she didn't -- Emilie didn't cause	11:13:52
21	her grandmother to make withdrawals on her account	11:13:54
22	but you were concerned that she could and, because	11:13:58
23	she was an adolescent, she might try to get money	11:14:00
24	that way through her grandmother?	11:14:04
25	A. So, no, nothing happened. Because	11:14:51

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1 I realized, when the will was disclosed, it was a 11:14:53
2 tricky situation, and my husband and I both felt 11:14:59
3 it would be better not to have such a situation, 11:15:02
4 hence the conflict with my mother when I asked her 11:15:07
5 to relinquish this usufruct. 11:15:09

6 MR COOPERMAN: I think we need to 11:15:14
7 correct on the record that it was written down 11:15:16
8 "Emilie 'would' twist her grandmother into doing 11:15:18
9 these things," and I think everyone is agreeing 11:15:20
10 it's "Emilie 'could,' "'could' twist." So that's 11:15:24
11 the translation error. 11:15:26

12 BY MS WANG: 11:15:26

13 Q. Emilie could, but nothing actually 11:15:29
14 happened. You were concerned that she could do 11:15:31
15 it, that was your statement? 11:15:33

16 So the question was Emilie could 11:16:12
17 have done something to take her share of the money 11:16:18
18 through her grandmother, but nothing actually 11:16:20
19 happened, is that right? 11:16:23

20 A. No, it didn't happen, because when 11:17:41
21 they opened the will we realized straightaway that 11:17:43
22 there was a problem. And I asked my mother 11:17:48
23 straightaway to relinquish her usufruct. However, 11:17:53
24 she didn't decide on the spur of the moment. It 11:18:01
25 led to a document being drawn up in front of a 11:18:04

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1	notary, which was a sharing document. If she	11:18:07
2	hadn't agreed to do this, I wouldn't have agreed	11:18:19
3	for the whole succession. So this sharing	11:18:21
4	document, the legal sharing, meant that she	11:18:24
5	relinquished the usufruct and let us decide for	11:18:28
6	Emilie, because we were her tutors. My husband	11:18:35
7	and I had to go, as such, to the judge specialized	11:18:39
8	in tutorship.	11:18:45
9	MR QUIRK: "Guardian."	11:18:50
10	THE INTERPRETER: "Guardian."	11:18:50
11	"Guardian," sorry.	11:18:50
12	MS WANG: Let me --	11:18:50
13	THE INTERPRETER: Please replace it.	11:18:50
14	MS WANG: When you used the word	11:18:51
15	"tutor," you meant "guardian"?	11:18:52
16	THE INTERPRETER: I meant	11:18:55
17	"guardian."	11:18:57
18	MS WANG: So "let us decide for	11:19:00
19	Emilie, because we were her guardians"?	11:19:02
20	THE INTERPRETER: Her guardians, and	11:19:06
21	went to the judge specialized in the matter of	11:19:08
22	guardians.	11:19:12
23	BY MS WANG:	11:19:44
24	Q. Now, getting back to your share of	11:19:47
25	the estate and your inheritance. Your mother also	11:19:51

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1 held a usufruct over your ownership portion, is 11:19:55

2 that right? 11:20:01

3 A. In my father's will, yes. 11:20:08

4 Q. Did that mean you had the ability to 11:20:22

5 control your accounts or did that mean that your 11:20:24

6 mother did or was it something else? 11:20:27

7 MR COOPERMAN: Objection. 11:20:29

8 THE WITNESS: I don't know because 11:20:59

9 it didn't come to happen. It didn't happen for 11:21:00

10 Emilie because I fought against it -- and for me, 11:21:02

11 too. 11:21:05

12 BY MS WANG: 11:21:06

13 Q. Oh, okay. So when you got your 11:21:06

14 mother to waive the usufruct for Emilie, she also 11:21:08

15 waived it for you, is that right? 11:21:12

16 MR COOPERMAN: Objection. 11:21:16

17 THE WITNESS: Oh, yeah, it all 11:21:24

18 happened together. She said: Well, have it then, 11:21:26

19 and she was angry. 11:21:38

20 BY MS WANG: 11:21:47

21 Q. Do you have the documents that Doris 11:21:47

22 had to sign to waive her usufruct? 11:21:50

23 MR COOPERMAN: Objection. 11:21:59

24 THE WITNESS: Yes, I told you, it 11:22:12

25 was a document that was signed at a notary. It is 11:22:14

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1	a legal document.	11:22:18
2	BY MS WANG:	11:22:19
3	Q. Do you still have it?	11:22:20
4	MR COOPERMAN: Objection.	11:22:21
5	THE WITNESS: My notary has it.	11:22:33
6	BY MS WANG:	11:22:35
7	Q. Now, you said your mother was angry	11:22:35
8	when you said you asked her to waive the usufruct.	11:22:41
9	Can you tell me about those conversations with	11:22:44
10	her? What was her -- why was she angry?	11:22:46
11	MR COOPERMAN: Objection.	11:22:50
12	We covered this yesterday.	11:22:51
13	(To the witness) You can answer	11:23:08
14	again.	11:23:10
15	THE WITNESS: Well, my mother was	11:23:11
16	very angry that I wanted to go against the will of	11:23:22
17	my father and she felt it was a sacrilege.	11:23:26
18	BY MS WANG:	11:23:37
19	Q. Now, your father had never discussed	11:23:38
20	the will with you when he was alive or why he had	11:23:41
21	chosen to structure the inheritance that way, did	11:23:44
22	he?	11:23:54
23	MR COOPERMAN: Same objection.	11:23:54
24	THE WITNESS: Not at all. I was	11:24:10
25	flabbergasted. It was very painful that my father	11:24:26

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1	had done something like that. I was very upset	11:24:29
2	that he did it as a father and as a grandfather.	11:24:34
3	MR QUINT: "Without telling me."	11:24:40
4	THE INTERPRETER: "Without telling	11:24:43
5	me."	11:24:46
6	BY MS WANG:	11:25:26
7	Q. Now, after you resolved the issue of	11:25:27
8	usufruct and got your mother to agree to waive it,	11:25:30
9	there were other issues, right, because Emilie was	11:25:33
10	a minor?	11:25:38
11	MR COOPERMAN: Objection.	11:25:50
12	THE WITNESS: Yes. I already told	11:25:57
13	you.	11:25:58
14	BY MS WANG:	11:25:59
15	Q. You said that her inheritance,	11:26:00
16	Emilie's inheritance, had to be overseen by a	11:26:03
17	guardianship judge, is that right?	11:26:07
18	MR COOPERMAN: Objection.	11:26:11
19	THE WITNESS: Yes. Yes, that's	11:26:31
20	legal.	11:26:36
21	MS SELTZER: "It's the law."	11:26:41
22	MR COOPERMAN: It's the law.	11:26:44
23	BY MS WANG:	11:26:53
24	Q. So then my next question was what	11:26:53
25	was the name of the judge?	11:26:56

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1	A. Standish.	11:27:05
2	Q. So who is Maître Airault?	11:27:07
3	A. The notary.	11:27:17
4	Q. And the notary on behalf of your	11:27:18
5	family?	11:27:20
6	A. Yes.	11:27:22
7	Q. Who was it who expressed concern	11:28:06
8	about Emilie's investments and required that half	11:28:09
9	of it be put into French Treasury Bills?	11:28:14
10	MR COOPERMAN: Objection.	11:28:15
11	THE WITNESS: The judge, the	11:28:46
12	guardianship judge, wanted to have written	11:28:48
13	guarantees if we were going to maintain some	11:29:34
14	investment in the US. That's why we asked Madoff	11:29:37
15	to come to Paris, so that he could be part of a	11:29:39
16	discussion and provide some guarantees. And that	11:29:43
17	was because my mother didn't want a total change	11:29:48
18	from my father's investment choices. If Madoff	11:29:54
19	hadn't consented to do that, provide his	11:30:18
20	guarantee, we would have had to invest somewhere	11:30:23
21	else.	11:30:29
22	BY MS WANG:	11:30:31
23	Q. Can you tell me more generally what	11:30:31
24	type -- the concerns of the guardianship judge and	11:30:33
25	was he the only one who expressed concern about	11:30:37

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1	the investments in the United States?	11:30:40
2	MR COOPERMAN: Objection.	11:30:43
3	THE WITNESS: The guardianship judge	11:31:00
4	has, as a role, to protect the guardian's	11:31:46
5	investments and make sure that they are invested	11:31:51
6	safely and in a safe manner.	11:31:59
7	THE INTERPRETER: They call it a	11:32:05
8	good family father's investment, literally, in	11:32:10
9	French, meaning reasonable and safe.	11:32:16
10	THE WITNESS: Therefore, that's his	11:32:18
11	role and he makes sure the capital is well	11:32:20
12	preserved. And every year we have to report to	11:32:23
13	him.	11:32:28
14	BY MS WANG:	11:32:35
15	Q. When you said every year you had to	11:32:35
16	report to him, was that up until Emilie reached	11:32:37
17	the age of majority?	11:32:40
18	MR COOPERMAN: Objection.	11:32:42
19	THE WITNESS: Yes.	11:32:47
20	BY MS WANG:	11:32:48
21	Q. What kind of information did the	11:32:49
22	guardianship judge want in the annual reports?	11:32:50
23	A. He made sure that none of the	11:33:09
24	capital had been lost.	11:33:11
25	///	11:33:18

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1	BY MS WANG:	11:33:18
2	Q. In what form did you provide this	11:33:20
3	information to the guardianship judge?	11:33:21
4	A. We showed him the results of the	11:33:36
5	account.	11:33:38
6	Q. Did that mean showing him the	11:33:38
7	account statements or did you create another	11:33:40
8	document or did you have somebody at BLMIS create	11:33:42
9	a document or something else?	11:33:46
10	A. I can't remember exactly. I showed	11:34:16
11	the annual statements of her account and I also	11:34:19
12	showed the French Treasury Bills documents.	11:34:31
13	Q. Did anyone assist you in preparing	11:34:43
14	this information in speaking with the guardianship	11:34:45
15	judge?	11:34:50
16	A. My husband, who was the family	11:35:04
17	father, wrote a letter himself to bring to the	11:35:06
18	judge.	11:35:12
19	Q. But you didn't consult with any	11:35:14
20	accountants or lawyers in doing so?	11:35:17
21	A. No, our accounts were very simple	11:35:29
22	and transparent.	11:35:32
23	Q. Going back to when the guardianship	11:35:45
24	judge indicated his first concerns, you said:	11:35:49
25	"That's why we asked Madoff to come to Paris."	11:35:58

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1	Did you actually ask Madoff to come to Paris to	11:36:01
2	meet with the guardianship judge?	11:36:04
3	A. I wasn't the one to speak to Madoff.	11:37:37
4	I think it must have been my mother. I never	11:37:39
5	spoke to him, actually, except for about one hour	11:37:42
6	in 1981.	11:37:45
7	MR QUINT: "When I didn't know who	11:37:47
8	he was."	11:37:50
9	THE INTERPRETER: Okay, that's true:	11:37:51
10	"When I didn't know who he was."	11:37:54
11	THE WITNESS: Madoff didn't meet the	11:37:57
12	judge, either; he came and met our notary. Our	11:38:00
13	notary had prepared a model of the guarantees that	11:38:04
14	we wanted Madoff to provide, that he needed to	11:38:09
15	accept, to bring to the judge. There was a	11:38:12
16	discussion and, in the end, he agreed and signed	11:38:16
17	that document at the notary's -- that document	11:38:21
18	that was purpose made. Then, while he was at it,	11:38:25
19	he signed the same one for me.	11:38:33
20	MS SELTZER: "There was a discussion	11:38:39
21	between Madoff and the notaire."	11:38:41
22	THE INTERPRETER: I said that.	11:38:43
23	MS SELTZER: No, you said "there was	11:38:46
24	a discussion."	11:38:48
25	THE INTERPRETER: Okay.	11:38:48

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1 MS WANG: Mrs Apfelbaum, I'm going 11:39:10
2 to ask the court reporter to mark and hand to you 11:39:16
3 Exhibit 23, which is a single page bearing the 11:39:19
4 Bates No. ESQU-BR00007822. 11:39:21

5 I'm not expecting that you have seen 11:39:28
6 this document before but I'm going to try to use 11:39:31
7 it to let you review it and see if this -- and ask 11:39:34
8 you if this document was -- sorry, let me rephrase 11:39:38
9 that. 11:39:47

10 I'm not expecting that you've seen 11:39:47
11 this document before, but I'm wondering if it may 11:39:49
12 refresh some of your recollection about that time 11:39:52
13 period and about what Mr Madoff was asked to do. 11:39:54

14 (Exhibit No. 23 marked for 11:40:00
15 identification.) 11:40:00

16 I apologize it is all in English, 11:40:21
17 but if you need to consult with the interpreter 11:40:23
18 over any of it, please feel free. 11:40:29

19 BY MS WANG: 11:41:19

20 Q. Have you seen Exhibit 23 before? 11:41:19

21 A. No, because documents which were 11:41:29
22 signed and provided to the judge were in French. 11:41:31

23 Q. Again, Maître Airault, who is the 11:41:36
24 addressee at the top of this letter, was your 11:41:41
25 family's notary, is that right? 11:41:44

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1 A. Yes. 11:41:49

2 Q. You see the date says May 17, 1995. 11:41:49

3 Is that approximately when the discussions were 11:41:53

4 going on between Mr Madoff, the notary and the 11:41:55

5 guardianship judge concerning the Madoff 11:41:59

6 investments? 11:42:04

7 A. Well, I can't remember, but it would 11:42:47

8 be easy to verify because this document has to be 11:42:48

9 after my mother relinquished the usufruct and 11:42:53

10 around the time when we opened accounts with 11:43:02

11 Madoff. It could be verified. 11:43:06

12 Q. Did Maître Airault speak English? 11:43:13

13 MR COOPERMAN: Objection. 11:43:22

14 THE WITNESS: I can't remember. 11:43:26

15 BY MS WANG: 11:43:27

16 Q. Well, the reason why I'm asking is 11:43:27

17 because this letter is only in English and 11:43:29

18 obviously it's not translated into French, so... 11:43:31

19 MR COOPERMAN: But it's not signed, 11:43:35

20 so we don't even know if it was sent. 11:43:37

21 MS WANG: I know. I'm not saying 11:43:40

22 that Mrs Apfelbaum should have seen it, I'm not 11:43:41

23 saying that it was sent, I'm just saying this is 11:43:47

24 just a document that we found. 11:43:49

25 /// 11:43:57

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1	BY MS WANG:	13:12:25
2	Q. What was Mr Madoff's explanation for	13:12:25
3	the less-than-customary commissions?	13:12:28
4	MR COOPERMAN: Objection.	13:12:53
5	THE WITNESS: Same answer that	13:12:54
6	I gave for the contract.	13:13:01
7	BY MS WANG:	13:13:04
8	Q. You gave for the other contract for	13:13:05
9	your personal accounts?	13:13:06
10	A. Yes.	13:13:08
11	Q. I'm looking back at the transcript.	13:13:33
12	You're saying that your understanding of the	13:13:41
13	commissions paragraph in this agreement is the	13:13:44
14	same as your understanding of the purpose of the	13:13:46
15	commissions paragraph in the agreement for your	13:13:49
16	account that we spoke about before lunch?	13:13:50
17	MR COOPERMAN: Objection.	13:13:52
18	THE WITNESS: Yes.	13:13:55
19	BY MS WANG:	13:14:07
20	Q. Turning to the paragraph numbered	13:14:08
21	5), can you tell me what that paragraph -- can you	13:14:10
22	tell me the purpose of that paragraph?	13:14:27
23	A. Well, that is the essential	13:14:50
24	paragraph, which is the guarantee intended for the	13:14:53
25	judge and the pre-requisite for us to invest in	13:14:58

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1 this form of investment. 13:15:04

2 Q. When you said the pre-requisite to 13:15:10

3 invest in this form of investment, you mean in 13:15:13

4 terms of keeping the investment at BLMIS; is that 13:15:15

5 right? 13:15:23

6 MR COOPERMAN: Objection. 13:15:24

7 THE WITNESS: Emilie and I inherited 13:15:36

8 some money and it was totally new -- it was new 13:16:21

9 money coming. For Emilie it was important to 13:16:26

10 apply some conditions. If this paragraph hadn't 13:16:33

11 been there the conditions wouldn't have been met 13:16:40

12 and the decision might have gone another way. 13:16:42

13 BY MS WANG: 13:16:46

14 Q. When you say "the decision might 13:16:46

15 have gone another way," you mean the guardianship 13:16:47

16 judge would have required you to take Emilie's 13:16:50

17 investment out of Madoff, is that right? 13:16:53

18 A. I can't tell you what the judge 13:17:37

19 would have said. She (since she's a woman) did 13:17:41

20 specify some conditions, and those conditions 13:17:45

21 applied to any type of investment, and they were 13:17:50

22 that it should be reasonable and offer guarantees. 13:17:52

23 Q. So in paragraph 5) of Exhibit 25 13:17:54

24 Madoff was essentially -- your understanding is 13:18:00

25 that Madoff was essentially guaranteeing that the 13:18:04

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1	capital in Emilie's BLMIS account would decline by	13:18:08
2	no more than 5% a year, if at all?	13:18:13
3	MR COOPERMAN: Objection.	13:18:19
4	THE WITNESS: Yeah, that's what it	13:18:40
5	says.	13:18:42
6	BY MS WANG:	13:18:53
7	Q. Who drafted this agreement?	13:18:53
8	MR COOPERMAN: Objection.	13:18:56
9	THE WITNESS: As regards this	13:18:59
10	essential paragraph laying down the main	13:19:59
11	condition, Maître Airault wrote a draft and	13:20:01
12	submitted it to Madoff, they held a discussion	13:20:07
13	about it and agreed on it. I wasn't involved in	13:20:12
14	these technical aspects (which I don't always	13:20:21
15	understand) so I'm not into the detail of it. But	13:20:24
16	I know it's the result of a discussion between	13:20:28
17	Maître Airault, who prepared it, and Madoff, who	13:20:31
18	agreed. And I'm talking only about this paragraph	13:20:34
19	number 5), the rest of the document doesn't	13:20:47
20	contain anything where there were requirements, as	13:20:49
21	far as I know.	13:20:56
22	MS SELTZER: "Where we have	13:20:56
23	requirements."	13:20:56
24	[Discussion]	13:21:07
25	THE INTERPRETER: "The rest of the	13:21:07

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1 document doesn't involve anything where we had 13:21:08

2 requirements." 13:21:11

3 THE WITNESS: At least not me 13:21:11

4 personally. 13:21:18

5 BY MS WANG: 13:21:21

6 Q. Now, it was the guardianship judge 13:21:22

7 who required that there be some form of guarantees 13:21:23

8 concerning Emilie's account, is that right? 13:21:25

9 MR COOPERMAN: Objection. 13:21:33

10 THE WITNESS: Yes, that's what 13:21:34

11 I said. 13:21:36

12 BY MS WANG: 13:21:36

13 Q. Where did the 5% loss figure come 13:21:37

14 from in this paragraph 5)? 13:21:43

15 MR COOPERMAN: Objection. 13:21:47

16 THE WITNESS: I don't know. 13:21:48

17 I didn't write this, it's the notary who wrote it. 13:22:14

18 I suppose it was part of -- well, I don't know. 13:22:16

19 I don't know the law exactly in these matters. 13:22:38

20 I don't know what should be in such a case, what 13:22:43

21 clauses should be. I know that what the judge 13:22:49

22 wanted was a guarantee, but the exact terms 13:22:52

23 I wouldn't know. 13:22:55

24 BY MS WANG: 13:22:57

25 Q. But certainly you weren't privy to a 13:22:58

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1	BY MS WANG:	13:25:26
2	Q. My last question on this paragraph.	13:25:27
3	Where it says: "Madoff agrees to compensate the	13:25:28
4	client for any losses [in excess of] 5 percent of	13:25:32
5	the capital market value," is it	13:25:36
6	your understanding that Madoff would have refunded	13:25:41
7	any losses over 5% in Emilie's account?	13:25:43
8	MR COOPERMAN: Objection.	13:25:56
9	THE WITNESS: I don't know what he	13:25:58
10	would have done, but his duty was not to invest in	13:26:29
11	investments that could have brought about losses	13:26:32
12	more than 5%.	13:26:35
13	BY MS WANG:	13:26:40
14	Q. Your recollection is that there were	13:26:40
15	never any losses in Emilie's account, is that	13:26:42
16	right, so that this paragraph never came into	13:26:49
17	play?	13:26:51
18	A. Madoff had -- well, there were no	13:27:41
19	losses because Madoff had set up a system that was	13:27:44
20	different in the case of Emilie's account than	13:27:46
21	mine. It was a system of puts and calls	13:27:49
22	(something which I never really understood), but	13:27:51
23	he assured me that it was the way not to incur any	13:27:53
24	risk.	13:27:59
25	Q. Just to clarify your answer there.	13:28:04

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1	Madoff set up a system for Emilie's account that	13:28:10
2	involved puts and calls that therefore would	13:28:13
3	minimize the risk to the capital of her account?	13:28:17
4	Is that right?	13:28:20
5	MR COOPERMAN: Objection.	13:28:28
6	THE WITNESS: Yes, that's just what	13:28:30
7	I said.	13:28:33
8	BY MS WANG:	13:28:34
9	Q. And your personal account didn't	13:28:37
10	involve trading in puts and calls, is that right?	13:28:38
11	A. No.	13:28:42
12	MS WANG: I'm going to ask the	13:29:30
13	reporter to mark a multi-paged document as	13:29:32
14	Exhibit 26. It is stamped Brunner 0066 through	13:29:37
15	Brunner 0072.	13:29:43
16	(Exhibit No. 26 marked for	13:29:43
17	identification.)	13:30:01
18	BY MS WANG:	13:30:01
19	Q. Mrs Apfelbaum, if you could take a	13:30:03
20	look at Exhibit 26 and let me know if you have	13:30:04
21	seen anything like this before.	13:30:13
22	A. No, I haven't.	13:30:47
23	Q. I'll tell you pages Brunner 0067	13:30:53
24	through to the end of that exhibit were the	13:30:58
25	typical forms that Madoff had sent to several of	13:31:01

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1	his investors to fill out when they were opening	13:31:05
2	accounts. It's your testimony that you have never	13:31:07
3	seen any documents like this before and never been	13:31:10
4	asked to fill out any documents that looked like	13:31:12
5	this before?	13:31:14
6	MR COOPERMAN: Object to the	13:31:15
7	preamble.	13:31:16
8	THE WITNESS: No, I haven't.	13:31:30
9	BY MS WANG:	13:31:58
10	Q. One last thing. Do you see on	13:31:59
11	Exhibit 26 at page Brunner 0071 there's a form	13:32:02
12	called form W-8 Certificate of Foreign Status. Do	13:32:10
13	you see that? Were you ever given a form like	13:32:23
14	this or requested to complete a form W-8 in	13:32:30
15	connection with your BLMIS accounts or with	13:32:33
16	Emilie's BLMIS accounts?	13:32:36
17	A. No, not as far as I can remember.	13:32:55
18	Q. So now I want to discuss a little	13:33:33
19	bit about your mother's estate and how that was	13:33:35
20	handled with BLMIS.	13:33:43
21	Your mother passed away in 2005, is	13:33:44
22	that right?	13:33:47
23	A. Yes.	13:33:58
24	Q. You had testified yesterday that you	13:34:01
25	opened the succession account at BLMIS to	13:34:04

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1 segregate funds to pay back US (United States) 13:34:10

2 income taxes, is that right? 13:34:14

3 A. Yes. There was a problem of income 13:36:03

4 tax that was due in the States and I discovered 13:36:08

5 this when my mother's estate was revealed. As a 13:36:10

6 US citizen she -- since 1948 she should have been 13:36:19

7 paying tax -- 13:36:25

8 [The witness speaks to the interpreter in 13:36:25

9 French] 13:36:25

10 She had been in France, and so she 13:36:40

11 hadn't realized that, since she had been in France 13:36:46

12 since 1948, that she should have been paying 13:36:49

13 income tax in the US. I wanted to get all this 13:36:52

14 sorted out. 13:36:56

15 I contacted an American lawyer and 13:36:58

16 it ended up being a long and complicated and 13:37:00

17 uncertain matter. So I felt it was the better to 13:37:04

18 open -- although I had closed her account when she 13:37:08

19 passed away, I decided to reopen an account that 13:37:12

20 would be separate and that would be to deal with 13:37:19

21 these matters, so as not to get mixed up with my 13:37:21

22 own accounts. 13:37:24

23 BY MS WANG: 13:37:25

24 Q. When you say "although I had closed 13:37:25

25 her account when she had passed away," you mean 13:37:27

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1 BY MS WANG: 13:51:39

2 Q. The question pending was: After you 13:51:40

3 had a chance to look through Exhibit 27, can you 13:51:42

4 let me know if that refreshes your recollection 13:51:44

5 about some of the issues and communications you 13:51:47

6 had with people at BLMIS concerning your mother's 13:51:49

7 estate and the payment of US income taxes. 13:51:56

8 MR COOPERMAN: Objection. 13:52:12

9 THE WITNESS: I can recognize my 13:55:07

10 handwriting. That's mine. And there are some 13:55:11

11 faxes with this letter. Are they the ones that 13:55:14

12 were supposed to be there? That I can't be quite 13:55:22

13 sure because they're not signed. However -- 13:55:25

14 [The witness speaks to the interpreter in 13:55:34

15 French] 13:55:34

16 The two faxes that I sent are with 13:55:40

17 my handwriting, no doubt about that. But I don't 13:55:43

18 know what they refer to because there's no date. 13:55:49

19 However, I can tell you about my 13:55:52

20 mother's succession and how complicated it was. 13:55:55

21 Because amongst her assets there were the ones 13:55:58

22 where the bare ownership went to Emilie and where 13:56:04

23 the bare ownership went to me, and then there was 13:56:07

24 the part which became entirely mine because I was 13:56:10

25 the sole heir of my mother. Then there's the 13:56:13

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1	question of the percentages that applied every	13:56:17
2	year, as we saw before. So each person had to be	13:56:21
3	given their share and what they were owed.	13:56:26
4	Then there was the decision to	13:56:31
5	reinvest. Then that's when I had contact with	13:56:34
6	Madoff. Of course first I had contact with him to	13:56:41
7	tell him that my mother had died and then the next	13:56:43
8	thing was to discuss how I wanted to handle these	13:56:46
9	different parts of the estate. That's when I told	13:56:52
10	him about reinvesting for my daughter and for	13:56:58
11	myself. And it's all written up by a notary	13:57:03
12	because in France it's a notary who deals with the	13:57:08
13	succession and who deals with all the paperwork.	13:57:11
14	For example, he's the one who wrote up the	13:57:17
15	succession.	13:57:22
16	BY MS WANG:	13:57:24
17	Q. So the first two pages of	13:57:24
18	Exhibit 27, which are handwritten and end in 153	13:57:28
19	and 154, that's your handwriting and signed by	13:57:30
20	you, is that right?	13:57:34
21	A. Correct.	13:57:37
22	MR COOPERMAN: You ask the	13:57:38
23	handwriting as opposed to the numbers on top?	13:57:40
24	THE WITNESS: Not the numbers.	13:57:46
25	///	13:57:47

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1 BY MS WANG: 13:57:47

2 Q. With the exception of the numbers on 13:57:47

3 the top of the second page, the handwriting on the 13:57:49

4 first two pages of Exhibit 27 is your handwriting 13:57:51

5 and it is signed by you, is that right? 13:57:54

6 A. Yes. 13:57:58

7 Q. It was sent by you to Mr Frank 13:58:01

8 de Pascali? 13:58:03

9 A. The one where it says "Dear Frank," 13:58:12

10 yes. The other one, I don't know. 13:58:15

11 Q. When you say "the other one," what 13:58:17

12 do you mean? 13:58:20

13 A. Well, there are two pages and I'm 13:58:27

14 not entirely sure they come from the same fax. 13:58:28

15 Q. Let's look at the fax header then at 13:58:34

16 the top, where it looks like 28/06/05 and there's 13:58:37

17 a time and it says page 1. Then the next page 13:58:45

18 says 28/06/05. There's a time. Both appear to 13:58:46

19 say 18:34 and the second one says page 2. 13:58:52

20 A. I wrote to di Pascali when it was to 14:00:17

21 do something fairly menial like communicate a 14:00:22

22 figure or find out if the bills had been redeemed, 14:00:29

23 but for bigger stuff I communicated with Madoff 14:00:31

24 directly. For example, I talked to him to tell 14:00:37

25 him my mother had died and I was trying to sort 14:00:39

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1	obsession before me, then it became mine. So	14:24:17
2	everything has been fine and very well managed for	14:24:22
3	all these years.	14:24:25
4	So, to get back to this paper, my	14:24:28
5	tax advisor was therefore having a very hard time	14:24:34
6	because he couldn't deduct the losses. So when	14:24:40
7	Emilie turned 18 (and by the time this document	14:24:47
8	was issued, she was) we were able to stop the	14:24:50
9	system that had been set up in '95 to protect her	14:24:53
10	interests, this system of puts and calls. And	14:24:56
11	this document was dictated to me by my tax	14:24:59
12	advisor, and the point is to change the system and	14:25:04
13	finish the puts and calls.	14:25:10
14	When I said I managed to "avoid" a	14:25:27
15	tax inspection, that's not quite the right term,	14:25:30
16	because you can't avoid it. When it happens to	14:25:33
17	you it just hits you like a brick out of the blue,	14:25:35
18	and I was lucky not to have any.	14:25:40
19	Q. So you're saying that this document	14:25:48
20	was generated around the time when Emilie turned	14:25:51
21	18 and you then wanted to get out of the system of	14:25:58
22	investing through puts and calls, is that right?	14:26:01
23	A. It's dated. Emilie then was a	14:26:29
24	grownup and no longer had guardians.	14:26:32
25	Q. So the first page, the first textual	14:26:35

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1	page that has handwriting, where it says	14:26:40
2	"Dear Frank," again, that is a note handwritten	14:26:43
3	from you to Frank di Pascali, is that right?	14:26:46
4	A. Yes, it is.	14:26:52
5	Q. Then the typewritten pages	14:26:56
6	afterwards, were those generated by you or by	14:26:59
7	someone else?	14:27:02
8	A. My tax advisor dictated these pages	14:27:20
9	to me. He was trying to help me to understand	14:27:24
10	this puts and call system.	14:27:29
11	Q. Who is your tax advisor again?	14:27:33
12	A. Mr Philippe Colin at the time.	14:27:37
13	Q. Then in the first handwritten note,	14:27:51
14	the first page that's handwritten, where it says:	14:27:55
15	"Is this an adequate document for	14:27:58
16	working on our strategy for progressively evening	14:28:00
17	out Emilie's option loss/taxable gain gap?"	14:28:05
18	What were you asking there?	14:28:11
19	A. So it refers to the matter of the	14:29:16
20	suspended losses. I am asking the question about	14:29:20
21	this system which had been applied as a strategy	14:29:25
22	to protect Emilie's interests. But my advisor	14:29:28
23	thought it would be better to reintroduce losses	14:29:33
24	in the yearly balances, so under his dictation	14:29:37
25	I am asking about this.	14:29:43

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1 Q. So when you're saying your advisor 14:29:44
2 thought it would be better to reintroduce losses, 14:29:49
3 is it your understanding that you could use the 14:29:52
4 losses to offset gains? 14:29:56

5 MR COOPERMAN: Objection. 14:29:58

6 THE WITNESS: He wanted to know what 14:30:24
7 could be done. Because these losses were not 14:30:25
8 declarable, were not in the tax return, whereas 14:30:29
9 the profits were. 14:30:32

10 BY MS WANG: 14:30:38

11 Q. So you or your tax advisor were 14:30:39
12 looking for a way to use the losses in order to 14:30:41
13 potentially reduce your tax liability, is that 14:30:48
14 right? 14:30:50

15 MR COOPERMAN: Objection. 14:30:50

16 BY MS WANG: 14:30:50

17 Q. You can answer the question. 14:30:59

18 A. Yes. I think I've told you, how to 14:31:02
19 handle the question of these losses and stop the 14:31:08
20 system so that we wouldn't go on having these 14:31:19
21 unusable losses. 14:31:23

22 Q. After Emilie reached the age of 14:31:32
23 majority, did her account still -- did BLMIS still 14:31:36
24 execute puts and calls in her account? 14:31:41

25 A. I don't know when it actually 14:32:12

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1	Bills, the money that was managed by Madoff,	14:43:20
2	I don't know exactly how they interrelate, but, at	14:43:23
3	any rate, it's there in that account; that's where	14:43:27
4	the biggest amount of money is.	14:43:30
5	MS SELTZER: I think she said	14:43:34
6	"I don't know how Madoff and BIF interacted";	14:43:35
7	right?	14:43:41
8	THE INTERPRETER: Okay. "I don't	14:43:42
9	know how BIF and Madoff interacted."	14:43:46
10	BY MS WANG:	14:43:50
11	Q. Going to paragraph numbered 3) on	14:43:50
12	APFELBAUM01810, where it says: "12 shares of	14:43:52
13	stock [in] the S.I.M.A.D.O.P. Company," do you	14:43:54
14	have any understanding of what S.I.M.A.D.O.P	14:43:59
15	Company stands for?	14:44:03
16	[The witness answers in French]	14:44:28
17	MS WANG: There's a lot of "golf" in	14:44:28
18	that answer.	14:44:30
19	MR COOPERMAN: Even I understand	14:44:30
20	that without the translation.	14:44:31
21	THE WITNESS: That corresponds to	14:44:31
22	the Fourqueux (F-O-U-R-Q-U-E-U-X) Golf Club. To	14:44:33
23	be a member you had to have some shares in it, and	14:44:39
24	those were his shares in the golf club. I don't	14:44:42
25	know more than that because I don't play golf	14:44:47

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1	myself.	14:44:50
2	BY MS WANG:	14:44:50
3	Q. Okay. We're done with that	14:44:53
4	document.	14:44:55
5	Wait, before we do that. Is it your	14:45:00
6	understanding that at the time of your father's	14:45:03
7	death he had not placed any assets in trust for	14:45:05
8	you or your daughter, is that right?	14:45:08
9	A. No, I never heard about such a trust	14:45:32
10	in my name or my daughter's name. Everything he	14:45:34
11	had is described here.	14:45:38
12	Q. Okay. So all of your father's	14:45:41
13	assets would be described in this inventory that	14:45:43
14	you were aware of?	14:45:48
15	A. Yes. The whole estate is there.	14:45:49
16	MR QUINT: "The whole estate I have	14:46:02
17	knowledge of which."	14:46:03
18	BY MS WANG:	14:46:05
19	Q. So the whole estate of which you	14:46:05
20	have knowledge is listed in the inventory that is	14:46:07
21	Exhibit 29, is that right?	14:46:10
22	A. Yes.	14:46:23
23	MS WANG: Next the reporter is going	14:46:27
24	to hand you what has been marked as Exhibit 30.	14:46:30
25	I would like you to take a look at it. It's a	14:46:38

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1	multi-paged document marked Brunner0047 to	14:46:46
2	Brunner0049, together with an English translation.	14:46:52
3	(Exhibit No. 30 marked for	14:46:52
4	identification.)	14:46:52
5	BY MS WANG:	14:46:52
6	Q. Have you ever seen Exhibit 30	14:47:51
7	before?	14:47:53
8	A. Yes, I saw it the day before	14:48:08
9	yesterday when my lawyer showed it to me.	14:48:10
10	Q. So before preparing for this	14:48:12
11	deposition you had never seen Exhibit 30 before?	14:48:14
12	A. No.	14:48:23
13	Q. Do you recognize any of the	14:48:30
14	handwriting on Exhibit 30?	14:48:31
15	A. I recognize the signature but not	14:49:14
16	the handwriting. Firstly, he didn't write in	14:49:18
17	capitals. Secondly, he didn't write in italics.	14:49:22
18	Maybe he might have been very careful to make it	14:49:27
19	very legible, but normally his handwriting was	14:49:30
20	illegible.	14:49:34
21	Q. When you say you recognize his	14:49:35
22	signature, you mean you recognize your father's	14:49:39
23	signature on page 49?	14:49:42
24	A. On the last page I recognize it.	14:49:44
25	Q. But the handwriting on page 0048	14:49:47

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1 that has your name and your mother's name, you 14:49:51

2 don't necessarily recognize that as your father's? 14:49:54

3 A. Yeah, normally he wrote in a much 14:50:15

4 more illegible way. He might have made a special 14:50:20

5 effort, if that was his writing. 14:50:27

6 Q. It's fair to say that your father in 14:50:30

7 his lifetime never told you about a Panamanian 14:50:35

8 Company named Magnify, Inc? 14:50:40

9 A. No -- 14:50:40

10 [The witness interrupts the interpreter 14:50:40

11 and continues her answer] 14:50:40

12 BY MS WANG: 14:52:37

13 Q. All right, let's get a translation 14:52:37

14 of that; that was long. 14:52:38

15 A. No, I didn't know anything about 14:52:39

16 this account because my father didn't discuss 14:52:42

17 those matters with us at all. He was open in the 14:52:44

18 sense that he discussed things like Spinoza and 14:52:49

19 psychoanalysis and psychoanalytical reviews. When 14:52:52

20 this came about it was a total and enormous 14:52:59

21 surprise for me. 14:53:03

22 I mean I might look composed just 14:53:04

23 now, but when I discovered all this it was quite a 14:53:07

24 shock. Because it happened because of the suit by 14:53:15

25 the Trustee that I realized that this account 14:53:20

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1	existed. So since then I've kind of got used to	14:53:26
2	the idea, but I really was flabbergasted. Just	14:53:30
3	the same as when we discovered the will.	14:53:35
4	Maybe my father meant well. He was	14:53:37
5	doing this for his wife and his daughter and	14:53:39
6	granddaughter, but it was still a shock. When he	14:53:41
7	was alive he seemed so open, but obviously there	14:53:45
8	was an undercover world of things going on with	14:53:50
9	the will and then this suit came about.	14:53:56
10	[The witness speaks to the interpreter in	14:54:09
11	French]	14:54:09
12	THE INTERPRETER: No, "undercover"	14:55:10
13	isn't the right word.	14:55:11
14	THE WITNESS: He wasn't doing	14:55:18
15	anything undercover, he was doing it without	14:55:19
16	telling us. There were things going on underneath	14:55:22
17	that we didn't know about. But that's because my	14:55:28
18	father had a whole history with clandestinity.	14:55:31
19	During the war he had to be a	14:55:35
20	clandestine, and when I was a little girl I was	14:55:38
21	made to change my name and I couldn't understand	14:55:44
22	why. He had a hard time to go back to his name	14:55:47
23	afterwards. He had to undergo attacks,	14:55:52
24	particularly when he joined the de Gaulle	14:55:55
25	government, because he went through as a	14:55:56

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1	Communist, because he had been under FILLON	14:55:58
2	(F-I-L-L-) --	14:55:58
3	[The witness speaks to the interpreter in	14:55:58
4	French]	14:55:58
5	-- Quillon (Q-U-I-L-L-O-N) -- Tillon	14:55:58
6	(T-I-L-L-O-N) who was one of the heads of the	14:56:20
7	resistance. And my father was with him and they	14:56:22
8	were Communists, and then he was in the de Gaulle	14:56:26
9	government.	14:56:30
10	Sorry, all this was about the word	14:56:47
11	"undercover" which was wrongly introduced by the	14:56:50
12	interpreter.	14:56:53
13	MS WANG: I'm going to ask the	14:57:04
14	reporter to mark Exhibit 31, which is a	14:57:06
15	three-paged document stamped Magnify00039 through	14:57:16
16	41. I'm just going to ask you to take a look at	14:57:23
17	it.	14:57:27
18	(Exhibit No. 31 marked for	14:57:48
19	identification.)	14:57:55
20	BY MS WANG:	14:57:55
21	Q. My question for you, Mrs Apfelbaum,	14:57:56
22	on Exhibit 31 is whether you have seen it before.	14:57:59
23	A. No.	14:58:22
24	Q. Had you seen it even in preparation	14:58:27
25	for this deposition?	14:58:29

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1	(Exhibit No. 33 marked for	15:01:36
2	identification.)	15:01:36
3	BY MS WANG:	15:01:36
4	Q. The same questions, have you ever	15:01:41
5	seen this document before and is the handwriting	15:01:44
6	your father's?	15:01:46
7	A. Same answer. I hadn't seen the	15:01:57
8	document but it is the handwriting of my father in	15:02:05
9	a legible form, which was unusual.	15:02:08
10	Q. In legible form, which was unusual?	15:02:11
11	THE INTERPRETER: It was unusual for	15:02:14
12	it to be legible.	15:02:15
13	MS WANG: Let's take a quick break.	15:02:17
14	THE VIDEOGRAPHER: Going off the	15:02:38
15	record. The time is 1502.	15:02:39
16	(Off the record - 3:02 p.m.)	15:02:45
17	(On the record - 3:14 p.m.)	15:14:34
18	THE VIDEOGRAPHER: This is the	15:14:34
19	beginning of tape number three, volume two. The	15:14:35
20	time is 1514. We are back on the record.	15:14:39
21	MR COOPERMAN: I just want to say	15:14:43
22	before we start, the court reporter told me we are	15:14:46
23	on 3 hours 40 minutes today. We were here --	15:14:49
24	I realize there were breaks yesterday -- but for	15:14:53
25	6.5 hours, so I do hope you are coming to a	15:14:53

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1	conclusion rather quickly.	15:14:56
2	MS WANG: Part of the reason why	15:14:56
3	we took this break was to see what we could finish	15:14:58
4	up quickly today.	15:15:00
5	MR COOPERMAN: Good. Thank you.	15:15:06
6	THE WITNESS: Thank you.	15:15:06
7	BY MS WANG:	15:15:14
8	Q. When your father passed away there	15:15:15
9	were significant taxes that had to be paid in	15:15:18
10	connection with his estate, right?	15:15:22
11	A. Yeah, there were duties for Emilie	15:15:47
12	and myself, to cover our half of the estate.	15:15:50
13	Q. Are those duties based on the	15:15:59
14	approximate value of the estate or some other	15:16:04
15	figure?	15:16:07
16	MR COOPERMAN: Objection.	15:16:18
17	You're asking based on her	15:16:18
18	knowledge? She's not a lawyer, obviously, to know	15:16:20
19	this.	15:16:25
20	THE WITNESS: Those duties have set	15:16:28
21	rates and I can't remember what the rate was in	15:16:55
22	'95. They change. I don't know what the rate	15:16:58
23	would be today.	15:17:01
24	BY MS WANG:	15:17:03
25	Q. And those duties would have been	15:17:04

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1	paid out of the BIF account, is that right?	15:17:05
2	MR COOPERMAN: Objection.	15:17:13
3	THE WITNESS: Which BIF account?	15:17:22
4	Whose?	15:17:28
5	BY MS WANG:	15:17:28
6	Q. My understanding, from the inventory	15:17:30
7	that we just looked at, was there were holdings at	15:17:32
8	BIF, is that right?	15:17:36
9	A. Well, I have to remember. Well,	15:18:03
10	it's hard to remember the exact order in which	15:20:17
11	things happened. I've told you about the	15:20:22
12	difficult episodes after my father's passing away.	15:20:24
13	As far as I can imagine, you can't	15:20:29
14	take any money out of any account you've inherited	15:20:34
15	until the whole succession is closed, so how it	15:20:37
16	went with my mother getting the usufruct and	15:20:42
17	having to relinquish it ... it was all a difficult	15:20:47
18	time.	15:20:50
19	And then the judge and Madoff, who	15:20:51
20	came. And then we decided to invest my share and	15:20:53
21	Emilie's share of the estate with Madoff. I must	15:21:00
22	have known how much my share of the estate was.	15:21:10
23	Then there was the moment when we decided to go	15:21:16
24	with Madoff.	15:21:18
25	///	15:21:18

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1	one Madoff account -- this is why I'm trying to	15:27:06
2	get at the information in another way, because	15:27:11
3	I don't think this witness would know.	15:27:13
4	MR COOPERMAN: At the end of the	15:27:14
5	day, on jurisdiction, you are not seeking	15:27:16
6	Albert Igoi to be subject to American	15:27:19
7	jurisdiction, you are seeking Mrs Apfelbaum,	15:27:21
8	you're seeking her daughter. So it is their	15:27:23
9	contacts that go. So that's why I encourage you	15:27:26
10	to ask her about other accounts. I think I know	15:27:28
11	what her answer will be, and I think you know what	15:27:31
12	her answer will be, too. Other than that, while	15:27:34
13	I understand where you are coming from, I don't	15:27:38
14	think this is the right forum or the right place	15:27:40
15	to ask these things.	15:27:42
16	MS WANG: Again, I mean --	15:27:44
17	MR COOPERMAN: I hear what you're	15:27:45
18	saying, you heard what I'm saying, so...	15:27:46
19	MS WANG: We're just making our	15:27:48
20	record.	15:27:49
21	MR COOPERMAN: We're making our	15:27:50
22	record. I think we've made our record.	15:27:51
23	MS WANG: Going back to what you	15:27:53
24	were saying about Mrs Apfelbaum, this is about	15:27:55
25	jurisdiction over Mrs Apfelbaum because she has	15:27:57

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1	testified that she was involved in the	15:27:59
2	administration of her father's estate and her	15:28:01
3	mother's estates. So, you know, to the extent	15:28:03
4	that this relates to additional contacts between	15:28:07
5	Mrs Apfelbaum and BLMIS, I think it is relevant.	15:28:12
6	That said, we've made our record, we can move on.	15:28:14
7	MR COOPERMAN: Right. I disagree.	15:28:17
8	Let's move on and try to finish this because	15:28:19
9	we are, I believe, way beyond already the Federal	15:28:22
10	rules allowing time for depositions. I've given	15:28:25
11	you leeway but, please, let's move on.	15:28:29
12	BY MS WANG:	15:28:35
13	Q. I wanted to clarify some part of the	15:28:36
14	earlier testimony today where, when Emilie first	15:28:38
15	inherited from your father, the French	15:28:49
16	guardianship judge required half her inheritance	15:28:52
17	to be invested in French Treasury Bonds, is that	15:28:56
18	right?	15:29:04
19	MR COOPERMAN: Objection.	15:29:16
20	THE WITNESS: Yes. He wanted	15:29:33
21	nonspeculative investment, so Treasury Bills	15:29:50
22	seemed the right thing.	15:29:56
23	MS WANG: "French" Treasury Bills.	15:29:59
24	THE INTERPRETER: "French," yes.	15:30:02
25	///	15:30:02

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1	BY MS WANG:	15:30:04
2	Q. Did there come a time when those	15:30:04
3	assets were reinvested? In other words, taken out	15:30:06
4	of French Treasury Bills and reinvested in	15:30:08
5	Emilie's BLMIS account?	15:30:15
6	MR COOPERMAN: Objection.	15:30:29
7	THE WITNESS: Well, I can't remember	15:30:56
8	the exact dates but I know that when the French	15:32:31
9	Treasury Bills matured coincides more or less with	15:32:37
10	Emilie's coming of age, and that's when we started	15:32:41
11	to give some thought to what to do with the	15:32:44
12	amounts and we decided to invest with Madoff.	15:32:47
13	This was a decision which wasn't --	15:32:57
14	THE INTERPRETER: Sorry, I withdraw	15:33:03
15	that.	15:33:03
16	THE WITNESS: My mother was still	15:33:03
17	alive and we trusted Madoff, so we thought it	15:33:05
18	would be good for her, too, and that's why	15:33:10
19	we decided to do that investment in 2000	15:33:17
20	something.	15:33:21
21	I wanted to specify that my mother	15:34:17
22	was still alive. Because you might remember that	15:34:19
23	there had been a conflict with her at the moment	15:34:23
24	of my father's estate, about the estate, and I had	15:34:28
25	got her to act against my father's will and she	15:34:37

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1	A. Yes, of course, since all Emilie's	15:48:41
2	inheritance was in BIF and it couldn't stay all as	15:48:44
3	Treasury Bills. Since the judge said some of it	15:48:49
4	had to be transferred, well, it had to come from	15:48:59
5	the BIF account.	15:49:02
6	Q. Looking at the first page of	15:49:04
7	Exhibit 34, is there any other entry of the	15:49:07
8	magnitude that would be sufficient to buy the	15:49:13
9	French Treasury Bills as required by the French	15:49:17
10	guardianship judge?	15:49:22
11	MR COOPERMAN: Objection.	15:49:31
12	THE WITNESS: In '95, no. But I was	15:50:23
13	looking --	15:50:28
14	MRS APFELBAUM: No, no, no, no, no.	15:50:28
15	[The witness speaks to the interpreter in	15:50:36
16	French]	15:50:36
17	THE INTERPRETER: "In '95, no" --	15:50:39
18	[The witness speaks to the interpreter in	15:50:39
19	French]	15:50:39
20	THE INTERPRETER: Sorry, the answer	15:50:56
21	was: "In '95, yes."	15:50:57
22	THE WITNESS: I'm sorry, I have	15:51:01
23	trouble reading this document. I have never read	15:51:05
24	these documents before. I had read them, but I'm	15:51:08
25	not familiar with them.	15:51:14

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1 BY MS WANG: 15:51:31

2 Q. So I guess my question still isn't 15:51:31

3 answered, which is: Is there any withdrawal on 15:51:34

4 the first page of Exhibit 34 that is of sufficient 15:51:37

5 magnitude to buy the French Treasury Bills as was 15:51:44

6 required by the French guardianship judge back in 15:51:48

7 1995? 15:51:51

8 MR COOPERMAN: Objection. 15:51:52

9 THE WITNESS: On the first page it 15:51:57

10 doesn't work, so the answer is no. 15:52:00

11 MR QUINT: "For 1995." 15:52:04

12 THE INTERPRETER: "For '95." 15:52:09

13 BY MS WANG: 15:52:09

14 Q. All right. 15:52:10

15 I want to turn your attention to 15:52:11

16 page 2, the second page of Exhibit 34. If you 15:52:15

17 look at column four, where it says "Cash 15:52:19

18 Deposits." If you read that column down the page, 15:52:23

19 it is empty until an entry on November 21, 2005, 15:52:25

20 which reflects a deposit of almost \$11 million. 15:52:31

21 Do you see that? 15:52:38

22 A. Yes. 15:52:58

23 Q. Does that reflect the reinvestment 15:53:00

24 after Emilie reached the age of majority? 15:53:05

25 MR COOPERMAN: Objection. 15:53:07

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1	THE WITNESS: Very probably, yes.	15:53:21
2	MS WANG: Okay, we're done with that	15:53:33
3	exhibit.	15:53:35
4	BY MS WANG:	15:53:40
5	Q. Did your parents ever discuss with	15:53:40
6	you any of their charitable activities in France	15:53:42
7	or in Israel?	15:53:46
8	A. No.	15:53:57
9	Q. So while they were alive, as far as	15:54:00
10	you know they did not engage in any charitable	15:54:03
11	activities in Israel or France?	15:54:07
12	A. I don't know because they didn't	15:54:19
13	mention this to me.	15:54:19
14	Q. How did you find out about the	15:54:22
15	collapse of BLMIS?	15:54:25
16	A. By the radio.	15:54:35
17	Q. At some point after you found out	15:54:36
18	about the collapse of BLMIS Ms Ayala Nadir called	15:54:39
19	you and told you about her activities in the	15:54:45
20	Yeshaya Hora(?) Association, is that right?	15:55:00
21	A. Yes.	15:55:02
22	Q. Can you tell me about that	15:55:02
23	conversation, since it has some -- obviously had a	15:55:04
24	reaction to it?	15:55:13
25	A. It was a lot of surprises in a short	15:55:14

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1 time. First, Madoff. Of course that was an 15:56:28
2 enormous surprise. Then a couple of weeks later 15:56:32
3 my cousin calls to tell me something I didn't know 15:56:34
4 at all, that my father had set up a foundation -- 15:56:40
5 I can't remember the name exactly -- in Israel, 15:56:44
6 and that she -- 15:56:47

7 MRS APFELBAUM: No. 15:56:47

8 [The witness speaks to the interpreter in 15:56:47
9 French] 15:56:47

10 THE WITNESS: At the time I'm not 15:56:54
11 sure she gave me the name. I'm not even sure she 15:56:55
12 gave me the name at the time. 15:56:59

13 -- in Israel, and she was the 15:57:00
14 manager. And she had also lost everything because 15:57:02
15 of Madoff. So it was a big surprise; I didn't 15:57:05
16 even know he'd done this. Because I didn't know 15:57:11
17 there was any other money than what was in the 15:57:17
18 estate. And I don't know with what money he'd 15:57:19
19 done it. So at first I didn't know that it 15:57:57
20 existed. Then I realized that my cousin had never 15:58:02
21 told me. I only discovered all this -- 15:58:07

22 [The witness speaks to the interpreter in 15:58:07
23 French] 15:58:07

24 So she told me that. She'd never 15:58:13
25 told me until December 2008, and she'd had the 15:58:15

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1 chance when my father passed away, another chance 15:58:19
2 when my mother passed away, but she had never told 15:58:22
3 me. 15:58:24

4 MR QUINT: The witness has also said 15:58:27
5 that "she didn't tell me about that foundation 15:58:30
6 when my father died and neither when my mother 15:58:32
7 died." 15:58:35

8 MS WANG: I think that's what the 15:58:36
9 translation was. 15:58:37

10 [The witness speaks in French] 15:59:01

11 MS WANG: Can you please translate 15:59:01
12 what the witness just said. 15:59:02

13 THE INTERPRETER: Okay. 15:59:05

14 THE WITNESS: There's also something 15:59:06
15 that the translator didn't say: that I didn't know 15:59:07
16 -- I discovered that my father had other monies 15:59:10
17 than that that was in the estate, and that 15:59:12
18 I didn't know about. My life is full of 15:59:14
19 surprises. 15:59:25

20 BY MS WANG: 15:59:29

21 Q. So Ayala Nahir is your cousin, 15:59:30
22 right? 15:59:35

23 A. Yes. 15:59:35

24 Q. You had seen her intermittently 15:59:35
25 through family gatherings and she had never told 15:59:38

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1	you about the foundation that your father had set	15:59:40
2	up?	15:59:43
3	A. I met her here and then. There	16:00:02
4	weren't any family gatherings as such in our sort	16:00:06
5	of family, but from time to time I got to meet	16:00:09
6	her. She did come to Paris regularly, but I must	16:00:13
7	say --	16:00:55
8	MR QUINT: Not "regularly."	16:00:55
9	THE INTERPRETER: "Sometimes."	16:00:57
10	Sorry.	16:00:58
11	THE WITNESS: -- but I can't say	16:00:59
12	that I saw her much. We didn't get on	16:01:00
13	particularly well, we weren't close, and sometimes	16:01:03
14	I made it a point of duty to see her, but that was	16:01:06
15	quite infrequent.	16:01:10
16	BY MS WANG:	16:01:13
17	Q. Did you know what she did for a	16:01:13
18	living before 2008?	16:01:15
19	A. I saw her in a kibbutz, and then she	16:01:45
20	left it and I don't know what she did afterwards.	16:01:50
21	MR QUINT: "And I don't know when	16:01:57
22	she left the kibbutz."	16:01:59
23	BY MS WANG:	16:02:02
24	Q. So you don't know when she left the	16:02:03
25	kibbutz and what she did after the kibbutz, is	16:02:05

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1 that right? 16:02:08

2 [The witness speaks in French]

3 Okay, let's stop and get a
4 translation of that and see if I got an answer to
5 my question.

6 THE INTERPRETER: Okay.

7 THE WITNESS: I'll have to explain a 16:03:51

8 few things. 16:03:52

9 I didn't -- I hardly ever met her -- 16:03:56

10 oh, yes, I did meet her once in Jerusalem and, 16:03:58

11 yes, I have to tell you how that happened. 16:04:04

12 I used to go a lot to Jerusalem -- 16:04:06

13 MRS APFELBAUM: No. 16:04:13

14 THE INTERPRETER: Or "quite a few 16:04:15

15 times" -- 16:04:16

16 MRS APFELBAUM: No. 16:04:16

17 [The witness speaks to the interpreter in 16:04:16

18 French] 16:04:16

19 THE INTERPRETER: Oh, "to Israel." 16:04:17

20 Sorry. 16:04:19

21 THE WITNESS: So you remember that 16:04:19

22 my husband has a wife and children and a mother in 16:04:21

23 Israel. So as long as my mother was -- 16:04:24

24 Well, first, let me tell you, it's 16:04:28

25 when he left the ghetto, he stayed in France, he 16:04:30

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1	studied and lived in France, but his mother went	16:04:33
2	back to Israel after the war. And my husband,	16:04:36
3	therefore, often traveled to Israel to see his	16:04:42
4	mother, his children and his ex-wife (with whom he	16:04:47
5	got on quite well). And when I married him,	16:04:50
6	I also went to Israel with him. We went every	16:04:55
7	year at the end of the year in December. And	16:04:57
8	we mainly wanted to visit his mother until finally	16:05:02
9	it stopped when she died. And we used to go to	16:05:06
10	the Red Sea, to Sharm el Sheikh. That went on	16:05:10
11	until Sharm el Sheikh went over to Eilat and until	16:05:14
12	my mother-in-law passed away, and so that stopped.	16:05:19
13	But for a long time I went every year.	16:05:24
14	So once I met my cousin in	16:05:53
15	Jerusalem, at the museum where she was a volunteer	16:05:58
16	guide. Because normally we were in Tel Aviv, but	16:06:00
17	when I went to visit Jerusalem I saw her in the	16:06:03
18	museum. So that's one time I can mention when	16:06:07
19	I saw her.	16:06:09
20	MS SELTZER: No, that her activity	16:06:10
21	at the time was volunteer at the museum.	16:06:13
22	BY MS WANG:	16:06:20
23	Q. Approximately when was this?	16:06:21
24	A. I don't know. I would say early	16:06:38
25	'80s.	16:06:44

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1	MR COOPERMAN: Could I just ask the	16:06:46
2	court reporter, when either Mr Quint or Ms Seltzer	16:06:47
3	makes a comment on the translation, could it be	16:06:52
4	indicated here that they are not testifying, they	16:06:53
5	are just correcting the translation.	16:06:55
6	MS WANG: They're speaking. She's	16:06:55
7	taking down what they're saying.	16:06:59
8	MR COOPERMAN: But it comes out as	16:06:59
9	maybe they're testifying, which they're not doing,	16:07:00
10	they're translating.	16:07:03
11	MS WANG: Well, I might have an	16:07:03
12	argument that they are trying to testify for the	16:07:05
13	witness.	16:07:06
14	MR COOPERMAN: Well, you've got	16:07:08
15	several people who are fluent in French on your	16:07:09
16	side who would correct them if they were saying	16:07:11
17	something wrong, and I haven't heard that.	16:07:13
18	BY MS WANG:	16:07:19
19	Q. Do you know Ayala Nahir's children?	16:07:19
20	A. I met them a long time ago, once,	16:07:33
21	when I visited the kibbutz.	16:07:36
22	Q. Again, when did you visit the	16:07:37
23	kibbutz?	16:07:39
24	A. I don't know my biography with	16:08:03
25	dates.	16:08:06

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1	Q. 1980s? 1990s? I don't need an	16:08:08
2	exact...	16:08:17
3	A. I would say in the '70s. And it	16:08:40
4	might be in '77, because there was the Congress of	16:08:42
5	Psychoanalysis held in Israel in '77 (or maybe	16:08:49
6	'76), so it might have been at that occasion.	16:08:53
7	What helps me to remember is that I know I went	16:09:06
8	alone to the congress and to the kibbutz,	16:09:09
9	therefore it's before my marriage, but I'm not	16:09:16
10	quite sure.	16:09:20
11	Q. So is it fair to say that you don't	16:09:22
12	know what Miss Nahir was doing to make a living in	16:09:25
13	the 1990s or after 2000, between 2000 and 2008?	16:09:29
14	A. No, I don't know. But I would	16:09:56
15	assume she was retired because she's older than	16:09:59
16	me. Retired from what, I don't know. I don't	16:10:05
17	even know how the system works in Israel.	16:10:07
18	Q. Did your father and mother ever	16:10:10
19	discuss Miss Nahir or her children and also	16:10:12
20	whether they intended to make any financial	16:10:19
21	provisions for them?	16:10:21
22	MR COOPERMAN: Objection.	16:10:37
23	(To the witness) You can answer.	16:10:39
24	THE WITNESS: No, certainly not.	16:10:42
25	I know that because I, myself, when I came to	16:11:29

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1	write my will, was worried that I had to do the	16:11:33
2	right thing and, since my parents had never done	16:11:38
3	anything -- or mentioned anything -- about my	16:11:43
4	cousin, I felt it was my duty to think about it	16:11:48
5	and decide whether I wanted to do something. So	16:11:52
6	that is the proof that my parents had never	16:11:55
7	mentioned it.	16:11:58
8	BY MS WANG:	16:12:00
9	Q. Is Ayala Nahir your only cousin?	16:12:00
10	A. All the family? All the sons?	16:12:16
11	Q. First cousins?	16:12:19
12	A. So she was the daughter of my	16:13:26
13	father's sister. And this man was deported in	16:13:33
14	1942 and I never got to know --	16:13:42
15	MR QUINT: No, the mother.	16:13:44
16	THE INTERPRETER: Oh, sorry, the	16:13:44
17	mother.	16:13:44
18	MR QUINT: She died in Auschwitz,	16:13:44
19	not in deportation.	16:13:59
20	THE WITNESS: And my father had a	16:14:01
21	brother, Luke, who lived in France. His daughter	16:14:02
22	was saved from going to Auschwitz, and she married	16:14:04
23	an American.	16:14:09
24	My mother had a sister who has two	16:14:36
25	sons who are older than me. One lives in	16:14:38

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1 California and the other in Canada. 16:14:41

2 BY MS WANG: 16:14:43

3 Q. So when you said that when you came 16:14:43

4 to write your will you were worried that you had 16:14:45

5 to do the right thing as far as Ayala Nahir, what 16:14:47

6 did you mean by that? 16:14:52

7 A. Because life in Israel can be 16:15:29

8 frugal, and I thought that she probably had enough 16:15:34

9 money to live with but not a lot. 16:15:37

10 Q. Now, when you said that Miss Nahir 16:15:44

11 had called you in December 2008 and indicated that 16:15:46

12 she had lost everything also, did you come to 16:15:49

13 understand that that meant that she had 16:15:54

14 investments in Madoff as well? 16:15:55

15 A. She said so. It wasn't hers, it was 16:16:07

16 the foundation that she was leading. 16:16:23

17 Q. What did she mean when she called 16:16:32

18 you in December of 2008 and advised that you get a 16:16:35

19 lawyer? What did she say to you? 16:16:39

20 MR COOPERMAN: Objection. 16:16:43

21 [The interpreter translates the question 16:16:43

22 in French] 16:16:55

23 MS SELTZER: I'm sorry, that's 16:16:55

24 not -- that's not your question. 16:16:56

25 THE INTERPRETER: Okay. 16:16:59

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1 area and I believe it was done through lawyers. 16:40:21

2 (To the witness) So I caution you, 16:40:23

3 to the extent you've spoken to lawyers 16:40:25

4 representing you, not to divulge what was said. 16:40:28

5 THE WITNESS: Well, I can't remember 16:40:47

6 the details but I know that there was nothing that 16:40:48

7 could be done and that's why I've swept it aside. 16:40:51

8 BY MS WANG: 16:40:55

9 Q. But there was some communication 16:40:55

10 with the IRS regarding whether there could have 16:40:57

11 been refunds on US taxes paid in connection with 16:40:59

12 the BLMIS fraud, is that right? 16:41:04

13 MR COOPERMAN: Objection. 16:41:05

14 THE WITNESS: I believe so. But 16:41:40

15 we talked about it with my husband, but I don't 16:41:45

16 know really. 16:41:47

17 MR COOPERMAN: Ona, I don't believe 16:41:57

18 there was any. 16:41:59

19 BY MS WANG: 16:42:01

20 Q. You never had any -- you never paid 16:42:01

21 US taxes on your own behalf, is that right, in 16:42:04

22 connection with the BLMIS investments? 16:42:07

23 MR COOPERMAN: Objection. 16:42:07

24 MS WANG: Let me just ask the 16:42:19

25 question again. 16:42:21

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1	BY MS WANG:	16:42:21
2	Q. You've never had to pay any US taxes	16:42:31
3	on your own behalf in connection with investments	16:42:34
4	at BLMIS, is that right?	16:42:37
5	MR COOPERMAN: Objection.	16:42:39
6	THE WITNESS: The only thing that	16:42:55
7	I have had to pay with regard to American tax is	16:43:23
8	on the estate of my mother. There's no reason why	16:43:26
9	I should have any other tax from the States since	16:43:31
10	I hold no account there, I have no holdings,	16:43:33
11	belongings, I haven't worked there. So the only	16:43:38
12	one is the estate tax.	16:43:40
13	MR COOPERMAN: She said that	16:43:42
14	yesterday.	16:43:47
15	MS WANG: No, she didn't.	16:43:48
16	MR COOPERMAN: Yes, she did. She	16:43:49
17	testified she paid taxes only for her mother	16:43:52
18	yesterday. Now you're asking the same question	16:43:54
19	again.	16:43:56
20	MS WANG: I'm confirming, because	16:43:56
21	the witness's answer earlier was not clear.	16:43:56
22	MR COOPERMAN: What wasn't clear	16:44:00
23	about saying yesterday that she didn't pay taxes	16:44:02
24	-- only paid taxes on her mother's estate in the	16:44:04
25	US? Was something unclear yesterday you could	16:44:06

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1 have followed up? 16:44:11

2 MS WANG: No, there was an answer 16:44:12

3 that was unclear earlier that I'm cleaning up and 16:44:15

4 now you're just drawing it out. 16:44:17

5 MR COOPERMAN: I'm not. 16:44:21

6 BY MS WANG: 16:44:40

7 Q. Have you had any communications or 16:44:42

8 contacts with other victims of the BLMIS fraud? 16:44:44

9 A. No. 16:44:58

10 Q. Now I'm going to run through a few 16:45:16

11 names and for each name I want to ask if you know 16:45:19

12 the person or have heard of the person in any 16:45:21

13 context, not just in the context of BLMIS. 16:45:25

14 MS WANG: Jon, to try to head off 16:45:43

15 some of your objections, some of these are names 16:45:46

16 that are associated with Magnify, so I'm going 16:45:48

17 through them. 16:45:51

18 MR COOPERMAN: I'm shocked. 16:45:51

19 Just so we can -- I assume you're 16:45:52

20 asking independent of anything she may have read 16:45:55

21 in your complaint, not, obviously, anything I may 16:45:58

22 have told her? 16:46:02

23 MS WANG: Right. 16:46:03

24 THE WITNESS: Yes, that's -- well, 16:46:07

25 there are names that I didn't know before but now 16:46:26

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1	I know them because of the Trustee's case.	16:46:29
2	BY MS WANG:	16:46:29
3	Q. Right, and my questions regarding	16:46:33
4	these names that I'm going to ask you one by one	16:46:34
5	(and we'll take them one by one) is whether	16:46:37
6	you have heard these names in any context before	16:46:40
7	the complaint was filed by the Trustee.	16:46:44
8	The first is Baruch (B-A-R-U-C-H),	16:46:52
9	whether as a first name or as a nickname for	16:46:58
10	somebody?	16:47:01
11	A. Baruch Spinoza.	16:47:06
12	MR COOPERMAN: I was just going to	16:47:06
13	say the same. The philosopher Spinoza's first	16:47:09
14	name was Baruch Spinoza.	16:47:15
15	MS WANG: Okay. Well, that explains	16:47:18
16	a lot, actually.	16:47:19
17	BY MS WANG:	16:47:20
18	Q. What about Itzhak Amir?	16:47:21
19	MR COOPERMAN: Do you want to spell	16:47:30
20	that for her?	16:47:33
21	BY MS WANG:	16:47:34
22	Q. Itzhak Amir, I-T-Z-H-A-K Amir?	16:47:34
23	MR COOPERMAN: Why don't you spell	16:47:34
24	"Amir" for her.	16:47:34
25	BY MS WANG:	16:47:34

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1	Q. Amir, A-M-I-R.	16:47:37
2	A. No.	16:47:37
3	Q. So you never met anyone named	16:47:37
4	Itzhak Amir or heard his name mentioned by either	16:47:41
5	of your parents?	16:47:45
6	A. No.	16:47:49
7	Q. Ruth Amir?	16:47:51
8	A. No.	16:47:54
9	Q. Jacques Amsellem (A-M-S-E-L-L-E-M)?	16:47:57
10	A. No.	16:48:13
11	Q. Does the name sound familiar to you	16:48:13
12	in any way?	16:48:17
13	A. Amsellem? There are plenty of them	16:48:26
14	in France, dentists and such, but...	16:48:28
15	Q. But nobody that you know	16:48:32
16	specifically?	16:48:34
17	A. No.	16:48:34
18	Q. Okay.	16:48:34
19	Henri Atlan (A-T-L-A-N)?	16:48:35
20	A. Yes.	16:48:41
21	Q. Who was he?	16:48:41
22	A. Yes, he's a professor of medicine	16:48:54
23	and a philosopher. He wrote books and he's	16:48:57
24	famous.	16:49:00
25	Q. Did you ever meet him?	16:49:00

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1	A. I came across him at my father's	16:49:07
2	once.	16:49:09
3	Q. Did your father tell you anything	16:49:12
4	about him?	16:49:14
5	A. No. I knew he was a famous man and	16:49:36
6	there's nothing to be said about it.	16:49:39
7	My father had many visitors at a	16:50:15
8	time because he was head of the Review of	16:50:20
9	Philosophy and the "Cahiers Spinoza," the Spinoza	16:50:22
10	notebooks. There were plenty of visitors. And	16:50:31
11	sometimes when I went to visit my parents somebody	16:50:36
12	was there and I didn't make a point of leaving	16:50:38
13	straightaway, so that's what I mean by "coming	16:50:41
14	across" them.	16:50:44
15	Q. But as far as you know	16:50:45
16	Professor Atlan and your father were not engaged	16:50:48
17	in any business dealings -- as far as you know?	16:50:49
18	A. No, I think they talked about	16:50:55
19	philosophy.	16:50:57
20	Q. What about Réjean Michel Cedile	16:51:02
21	(C-E-D-I-L-E)?	16:51:09
22	A. No.	16:51:10
23	Q. Okay.	16:51:11
24	I'm going to mangle the	16:51:18
25	pronunciation of this one, but Hanoch Gottfreund.	16:51:21

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1	First name H-A-N-O-C-H, last name	16:51:23
2	G-O-T-T-F-R-E-U-N-D?	16:51:28
3	A. I think I've read an article by him	16:51:58
4	but I can't remember in what area -- philosophy,	16:52:01
5	history of the Jews, I don't know.	16:52:03
6	Q. What about Emir Hadzic, H-A-D-Z-I-C?	16:52:07
7	MR COOPERMAN: Can you spell the	16:52:16
8	first name?	16:52:17
9	BY MS WANG:	16:52:19
10	Q. First name, Emir E-M-I-R.	16:52:20
11	A. No.	16:52:24
12	Q. What about Harry Rivkin,	16:52:24
13	R-I-V-K-I-N?	16:52:31
14	A. No.	16:52:40
15	Q. What about Saratoga Investments?	16:52:40
16	A. No.	16:52:44
17	Q. Josiane Lancelle, L-A-N-C-E-L-L-E?	16:52:45
18	A. No.	16:52:57
19	Q. Norman F. Levy?	16:53:01
20	A. What's the spelling?	16:53:08
21	Q. Last name L-E-V-Y.	16:53:10
22	A. No. I know plenty of Levys, but not	16:53:19
23	this one.	16:53:27
24	Q. D. Souter, S-O-U-T-E-R?	16:53:28
25	A. No.	16:53:41

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1	Q. Patrick Littaye, L-I-T-T-A-Y-E?	16:53:42
2	A. No.	16:54:08
3	Q. Thierry Magon de Villehuchet?	16:54:08
4	MR QUINT: De "la" Villehuchet.	16:54:08
5	BY MS WANG:	16:54:08
6	Q. Do you want me to spell that for	16:54:08
7	you? Thierry is T-H-I-E-R-R-Y, middle name	16:54:25
8	M-A-G-O-N, de la V-I-L-L-E-H-U-C-H-E-T.	16:54:26
9	A. No.	16:54:37
10	Q. Philippe Junot, J-U-N-O-T?	16:54:38
11	A. No.	16:54:46
12	Q. Guy de la Tour Dupin Verclause --	16:54:47
13	and I'm not going to spell that for anybody!	16:54:58
14	Guy (G-U-Y) de la Tour (T-O-U-R)	16:55:07
15	Dupin (D-U-P-I-N) and then Verclause	16:55:09
16	(V-E-R-C-L-A-U-S-E).	16:55:17
17	A. No.	16:55:26
18	Q. Oh, the answer was no? After all	16:55:35
19	that?	16:55:37
20	A. I don't know anyone with such a chic	16:55:44
21	name.	16:55:48
22	Q. Then these are some names of some	16:55:48
23	investment funds, which I don't know if you've	16:55:51
24	heard of before. Oreades, O-R-E-A-D-E-S?	16:55:51
25	A. No.	16:56:07

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1	Q. Groupement Financier,	16:56:07
2	G-R-O-U-P-E-M-E-N-T Financier?	16:56:14
3	A. No.	16:56:14
4	Q. Lux Alpha, L-U-X A-L-P-H-A?	16:56:19
5	A. No.	16:56:30
6	MS WANG: Let me take like a	16:56:40
7	two-minute break and see if there's anything else,	16:56:42
8	and we may be done.	16:56:45
9	THE VIDEOGRAPHER: Going off the	16:56:49
10	record. The time is 1656.	16:56:50
11	(Off the record - 4:56 p.m.)	16:58:47
12	(On the record - 4:59 p.m.)	16:59:04
13	THE VIDEOGRAPHER: We are back on	16:59:05
14	the record. The time is 1659.	16:59:07
15	MS WANG: We have no further	16:59:11
16	questions. Thank you very much for your time,	16:59:12
17	Madam Apfelbaum.	16:59:15
18	MR COOPERMAN: I don't have any	16:59:18
19	questions.	16:59:20
20	THE VIDEOGRAPHER: This is the end	16:59:22
21	of the deposition of Laurence Apfelbaum, day two.	16:59:24
22	The number of tapes used today are three, the time	16:59:27
23	is 1659. We are now off the record.	16:59:30
24	(The deposition concluded at 4:59 p.m.)	
25		